

OFFICE LEASE

1. Basic Lease Provisions (“Basic Lease Provisions”)

1.1 Parties: This Lease (“Lease”), dated, for reference purposes only, May 16, 2014, is made by and between KPC Summit, LLC, a California limited liability company (“Landlord”) and Alvord Unified School District (“Tenant”).

1.2 Premises: Landlord owns certain premises located at 2375 Anselmo Drive, City of Corona, Riverside County, State of California, as shown on Exhibit "A" hereto (the “Premises”) containing approximately 65,000 Rentable Square Feet. The actual Rentable Square Feet, Usable Square Feet and the Building Load Factor shall be calculated and determined upon Tenant’s approval of the Tenant Improvement Plans. Upon the calculation and determination of the actual Rentable Square Feet, Usable Square Feet and the applicable Building Load Factor, the parties hereto shall execute an addendum to this Lease to establish the actual Rentable Square Feet, Usable Square Feet and the applicable Building Loan Factor. For purposes of this Lease, “Rentable Square Feet” and “Usable Square Feet” shall be calculated pursuant to the Standard Method of Measuring Floor Area in Office Building, ANSI Z65.1 – 2010, Part A (“BOMA”).

1.3 Building: The office complex commonly known as KPC Summit contains a building commonly described as being located at 2375 Anselmo Drive, Corona, CA 92879, as defined in Paragraph 2, containing approximately 73,200 rentable square feet.

1.4 Use: School administration or any other legally permitted use, subject to Paragraph 6.

1.5 Term: The initial term (the “Initial Term”) of this Lease shall commence on the Lease Commencement Date and shall expire three hundred (**300**) months following the Rent Commencement Date. For purposes of this Lease, “Lease Term” shall be defined as the period commencing on the Lease Commencement Date and expiring on the Expiration Date of this Lease or the earlier termination thereof. In other words, and for avoidance doubt, the Lease Term shall include (unless earlier terminated pursuant to the terms of this Lease) the Initial Term plus any Renewal Term(s) (as defined in Paragraph 3.2(a)), if any Renewal Option is exercised by Tenant pursuant to Paragraph 3.2.

1.5.1 Lease Commencement Date: The Lease shall commence upon execution of this Lease (and related documents) and Landlord’s receipt of Tenant’s proof of insurance, first month’s Monthly Base Rent and Security Deposit (the “Lease Commencement Date”).

1.5.2 Rent Commencement Date: The “Rent Commencement Date” is defined as that certain date which is thirty (30) calendar days after Landlord obtains final building inspection approval following completion of the Tenant Improvements. Landlord shall also assist in obtaining a certificate of occupancy from the City of Corona upon Tenant’s installation of furniture, fixtures and equipment (“FF&E”). The estimated Rent Commencement Date is October 1, 2014. Upon the final determination of the Rent Commencement Date, the parties hereby agree to execute an addendum to this Lease to establish the actual Rent Commencement Date.

1.5.3 Expiration Date: The “Expiration Date” of the Lease shall be 300 months following the Rent Commencement Date. The Rent Commencement Date is estimated to be October 1, 2014, and therefore the estimated Expiration Date of the Initial Term is September 30, 2039. Provided, however, if Tenant properly exercises any Renewal Option(s) pursuant to Paragraph 3.2, then the Expiration Date of the Lease shall be the last day of the last Renewal Term.

1.6 Base Rent Schedule: Monthly base rent (“Monthly Base Rent”) is payable in advance on the first day of each month, per Paragraph 4.1.

Period/Months of Term	Monthly Rate Per Rentable Square Foot	Monthly Base Rent
1-12	\$1.95	\$126,750.00

The Monthly Base Rent set forth herein is an approximation based on 65,000 Rentable Square Feet. Once the actual Rentable Square Feet is determined, the parties hereto shall execute an addendum to this Lease to establish the actual Monthly Base Rent.

1.6.1 Cost of Living Increase. The amount of Monthly Base Rent for each succeeding lease year of the Lease Term shall be adjusted as of the expiration of each lease year of this Lease to reflect any change in the prices of goods and services. The adjustment, if any, shall be calculated upon the basis of the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers, Los Angeles-Riverside-Orange County, All Items (Base Year 1982-84=100) (“CPI”). The CPI published for the calendar month two (2) months prior to the Rent Commencement Date shall be considered the “base.” The Monthly Base Rent for the second (2nd) and each succeeding lease year shall be adjusted by the annual percentage increase, if any, in the CPI as of the 10th month in the first (1st) lease year and the 10th month in each succeeding lease year (“CPI Increase”). When the CPI Increase for a lease year is determined, Landlord shall give Tenant written notice stating how CPI Increase and adjusted Monthly Base Rent were computed. The adjusted Monthly Base Rent shall be effective as of each anniversary date of the Rent Commencement Date. In the event that the Bureau shall cease to publish said CPI, then the successor utilized by the Bureau or such nearly comparable index as reasonably determined by Landlord, shall be used. If the Bureau substantially revises the manner in which the CPI is determined, an adjustment shall be made in the revised index which would produce results equivalent, as nearly as possible, to those which would be obtained if the CPI had not been so revised. If the 1982-84 average shall no longer be used as an index of 100, such change shall constitute a substantial revision. If the CPI becomes unavailable to the public because publication is discontinued, or otherwise becomes unavailable, or if equivalent data is not readily available to enable Landlord to make the adjustment to the revised index referred to above, Landlord shall substitute a reasonably comparable index based upon changes in the cost of living or purchasing power of the consumer dollar published by any other governmental agency, or if no such index is available, then a comparable index published by a major bank, other financial institution, university or recognized financial publication.

1.6.2 Tenant shall pay, as additional rent, its proportionate share of Real Property Taxes and any increases in Operating Expenses pursuant to Paragraphs 4.2 and 4.3, respectively.

1.6.3 Landlord shall provide Tenant with seven (7) months of Monthly Base Rent abatement to be applied during the month of February for each of the first seven (7) years of the Lease Term ("Rental Abatement Period"). In the alternative, or in combination, Landlord shall contribute the equivalent of seven (7) month's Monthly Base Rent towards Tenant's FF&E requirements by leasing equipment to Tenant pursuant to an equipment lease ("FF&E Lease") to accomplish the equivalent economic benefit to Tenant. The term of the FF&E Lease shall be for five (5) years with rent equal to the amortized cost of the FF&E over a five (5) year period, and a one dollar (\$1.00) sale option to Tenant at the end of the lease term. All leased FF&E shall have a depreciable life of five (5) years or less. All depreciation and other tax benefits will be reserved for the benefit of Landlord.

1.7 Rent paid upon execution: \$126,750.00 as payment for the first month's Monthly Base Rent.

1.8 Security Deposit: \$ 126,750.00 (Also refer to Paragraph 5).

1.9 Tenant's Share of Operating Expenses, Real Property Taxes and Base Years.

1.9.1 Tenant's Share: Shall be calculated and determined in accordance with Paragraph 4.3(a) upon Tenant's approval of the Tenant Improvement Plans and the parties hereto shall execute an addendum to this Lease to establish the actual Tenant's Share

1.9.2 Tenant's Operating Expense Base Year: 2015.

1.10 Brokers: Coldwell Banker Commercial Sudweeks Group represents both the Landlord and the Tenant in this transaction (dual agency) where Ed Zorn, Corey Martin and Brandon Sudweeks represent the Landlord, and Cyndi Light represents the Tenant. Commissions shall be paid pursuant to separate written Listing Agreement between Landlord and Coldwell Banker Commercial – Sudweeks Group.

1.11 Personal Guarantors: None

1.12 Notice Address – Landlord: 2375 Anselmo Drive, Suite 301, Corona, CA 92879, or such other place as Landlord may designate from time to time by written notice to Tenant.

1.13 Notice Address – Tenant: 2375 Anselmo Drive, Suite 101, Corona, CA 92879; provided, however, prior to the Rent Commencement Date, Tenant's notice address shall be 10365 Keller Avenue, Riverside, CA 92505, or such other address as Tenant may designate by written notice to Landlord.

1.14 Parking:

1.14.1 Total parking spaces reserved for the Building to be shared among all tenants of the Building: 291

1.15 Business Hours: 7:00 AM to 7:00 PM, Mondays through Fridays (except Building Holidays). "Building Holidays" shall include, without limitation, the dates of observation of

New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Tenant shall have access to the Premises 7 days a week, 24 hours per day. Landlord agrees to provide heating, ventilation and air conditioning ("HVAC") services only during the above Business Hours. In addition, on Saturdays from 9:00 AM to 1:00 PM and on dates of regularly scheduled School Board Meetings from 7:00 PM to 10:00 PM on such dates, Landlord agrees to provide HVAC services to the Premises but limited to certain designated areas of the Premises. Such designated areas are to be mutually and reasonably determined by the parties hereto.

1.16 Exhibits: The following Exhibits A through G inclusive are attached to this Lease and incorporated herein by this reference:

- Exhibit A: The Premises
- Exhibit B: Work Letter
- Exhibit B-1: Space Plans
- Exhibit C: Rules and Regulations
- Exhibit D: Tenant's Insurance Requirements
- Exhibit E: Form of Estoppel Certificate
- Exhibit F: Utilities and Services
- Exhibit G: Signage Program – Tenant Sign Criteria

2. Premises, Parking and Common Areas.

2.1 Premises, Building and Office Building Project: The Premises are a portion of a building, herein referred to as the "Building" identified in Paragraph 1.3 of the Basic Lease Provisions. "Building" shall include adjacent parking structures used in connection therewith. The Premises, the Building, the Common Areas, the land upon which the same are located, along with all other buildings and improvements thereon or thereunder, are herein collectively referred to as the "Office Building Project." Landlord hereby leases to Tenant and Tenant leases from Landlord for the Lease Term, at the rental, and upon all of the conditions set forth herein, the real property referred to in the Basic Lease Provisions, Paragraph 1.2, as the "Premises," including rights to the Common Areas as hereinafter specified.

2.2 Vehicle Parking: So long as Tenant is not in default, and subject to the rules and regulations attached hereto as Exhibit "C," and as reasonably established by Landlord from time to time, Tenant shall be entitled to share with all other Tenants of the Building the use of the parking spaces defined in subparagraph 1.14.1, free of charge during the Lease Term.

2.2.1 Towing. If Tenant commits, permits or allows any of the prohibited activities described in the Lease or the rules then in effect pertaining to vehicles or parking, then Landlord shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicles involved and charge the cost to Tenant, which cost shall be immediately payable upon demand by Landlord.

2.3 Common Areas-Definition. The term "Common Areas" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Office Building

Project that are provided and designated by the Landlord from time to time for the general non-exclusive use of Landlord, Tenant and of other Tenants of the Office Building Project and their respective employees, suppliers, shippers, customers and invitees, including but not limited to common entrances, lobbies, corridors, stairways and stairwells, public restrooms, elevators, escalators, parking areas to the extent not otherwise prohibited by this Lease, loading and unloading areas, trash areas, roadways, sidewalks, walkways, parkways, ramps, driveways, landscaped areas and decorative walls.

2.3.1 Reception. A reception desk will be located in the first floor entrance lobby of the Common Area of the Building (“Reception Desk”). The Reception Desk is part of the Common Area and no particular tenant of the Building shall have exclusive use of the Reception Desk. Notwithstanding the foregoing, Landlord and Tenant agree that Tenant may place a staff member at the Reception Desk. The Reception Desk staff member shall provide assistance to all visitors and invitees to the Building. Tenant shall be responsible for the costs of engaging or employing the Reception Desk staff member, provided however that Landlord shall reimburse Tenant for Landlord’s pro rata share of the reasonable cost of engaging or employing such staff member. Landlord’s pro rata share of such costs shall be calculated by subtracting Tenant’s Share as defined in Paragraphs 4.3(a) and 1.9.1 from one hundred percent (100%).

2.4 Common Areas-Rules and Regulations. Tenant agrees to abide by and conform to the rules and regulations attached hereto as Exhibit “C” with respect to the Office Building Project and Common Areas, and to cause its employees, suppliers, shippers, customers, and invitees to so abide and conform. Landlord or such other person(s) as Landlord may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to reasonably modify, amend and enforce said rules and regulations. Landlord shall not be responsible to Tenant for the non-compliance with said rules and regulations by other Tenants of the Office Building Project, or their agents, employees and invitees.

2.5 Common Areas- Changes. Landlord shall have the right, in Landlord’s sole discretion, from time to time:

(a) To make changes to the Building interior, exterior and Common Areas, including, without limitation, changes in the location, size, shape, number, and appearance thereof, including but not limited to the lobbies, windows, stairways, air shafts, elevators, escalators, restrooms, driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, decorative walls, landscaped areas and walkways; provided, however, Landlord shall at all times provide the parking facilities required by applicable law and this Lease;

(b) To close temporarily any of the Common Areas for maintenance or reconstructive purposes so long as reasonable access to the Premises remains available;

(c) To designate other land and improvements outside the boundaries of the Office Building Project to be a part of the Common Areas, provided that such other land and improvements have a reasonable and functional relationship to the Office Building Project;

- (d) To add additional buildings and improvements to the Common Areas;
- (e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Office Building Project, or any portion thereof;
- (f) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Office Building Project as Landlord may, in the exercise of sound business judgment deems to be appropriate.

3. Term

3.1 Term. The Initial Term, Lease Term, Lease Commencement Date, Rent Commencement Date and Expiration Date of this Lease shall be as defined in Paragraph 1.5 of the Basic Lease Provisions, and Renewal Term shall be as defined in Paragraph 3.2(a).

3.2 Renewal Option.

(a) Grant of Option; Conditions. Subject to the requirements and terms and conditions provided in this Paragraph 3.2, Tenant shall have the option to extend the Initial Term (“Renewal Option”) for three (3) additional and consecutive renewal periods of five (5) years each (each 5-year renewal period a “Renewal Term”), with the first Renewal Term commencing on the day following the expiration of the Initial Term, and any subsequent Renewal Term(s) (if any) shall commence on the day following the expiration of the preceding Renewal Term, if:

(i) Landlord receives notice of exercise (“Renewal Notice”) not less than twelve (12) months prior to the expiration of the Initial Term or Renewal Term (as applicable) and not more than eighteen (18) months prior to the expiration of the Initial Term or Renewal Term, as applicable; and

(ii) Tenant is not in default under the Lease beyond any applicable cure periods at the time that Tenant delivers its Renewal Notice or at the time Tenant delivers its Binding Notice (as defined below); and

(iii) No part of the Premises is sublet at the time that Tenant delivers its Renewal Notice or at the time Tenant delivers its Binding Notice; and

(iv) The Lease has not been assigned (other than pursuant to a permitted transfer) prior to the date that Tenant delivers its Renewal Notice or prior to the date Tenant delivers its Binding Notice.

(b) Terms Applicable During Renewal Term(s).

(i) The Monthly Base Rent for the initial Renewal Term (i.e., Years 26 through 30) shall be equal to the Monthly Base Rent that would have been applicable had the Initial Term of the Lease been thirty (30) years. In other words, for example, the Monthly Base Rent for the 26th year of the Lease (i.e., Months 301 to 312 of the Lease Term) shall be equal to

the Monthly Base Rent of the prior year (i.e., 25th year of the Lease Term) subject to and after making the annual adjustment for the CPI pursuant to Paragraph 1.6.1. Thereafter, the Monthly Base Rent for the 27th year of the Lease shall be equal to the Monthly Base Rent of the prior year (i.e., 26th year of the Lease) subject to and after making the annual adjustment for CPI pursuant to Paragraph 1.6.1. The same foregoing process shall be applied in determining the Monthly Base Rent for the balance of the initial Renewal Term and any subsequent Renewal Term(s).

(ii) Tenant shall pay, as additional rent, its proportionate share of all Real Property Taxes and any increases in Operating Expenses pursuant to Paragraphs 4.2 and 4.3, respectively. Such amounts of additional rent attributable to the Premises shall be payable in monthly installments in accordance with the terms and conditions of the Lease.

3.3 Delivery of Possession. Landlord agrees to deliver possession of the Premises to Tenant on the Lease Commencement Date, subject to a mutually agreed schedule for the construction of the Tenant Improvements pursuant to Paragraph 6.3. Notwithstanding the foregoing, Tenant's obligation to pay Rent shall not commence until the Rent Commencement Date (i.e., that certain date which is thirty (30) calendar days after Landlord obtains final building inspection approval following completion of the Tenant Improvements). Notwithstanding the foregoing, Landlord will not be obligated to deliver possession of the Premises to Tenant until Landlord has received from Tenant all of the following: (i) an original executed Lease; (ii) the Security Deposit and the first installment of Monthly Base Rent; and (iii) copies of policies of insurance or certificates thereof as required in this Lease.

3.4. Landlord Access. Prior to the Rent Commencement Date, Landlord and its contractors and agents shall be provided with access to the Premises as necessary for Landlord to complete the Tenant Improvements, as defined in Paragraph 6.3, and perform all other necessary work in or about the Premises.

3.5 Uncertain Commencement. If the actual Rent Commencement Date changes from that which is stated in this Lease, Tenant and Landlord shall execute an addendum to this Lease establishing the revised Rent Commencement Date and Expiration Date.

3.6 Surrender of Premises; Removal of Property. Upon the Expiration Date or earlier termination of this Lease, Tenant shall quit and surrender possession of the Premises to Landlord in good order, condition and repair as when delivered by Landlord to Tenant or as hereafter may be improved by Landlord or Tenant, ordinary wear and tear and repairs which are Landlord obligations excepted. Any damage or deterioration of the Premises shall not be deemed ordinary wear and tear if the same could have been prevented by good maintenance practices by Tenant. Tenant shall repair or fund to Landlord the cost to (i) repair all damage to the Premises occasioned by the installation or removal of Tenant's trade fixtures, alterations, furnishings, bookshelves, pictures and equipment; (ii) the removal of all wallpapering and repainting with building standard paint all such areas; (iii) the repainting of all areas of the Premises which do not match Landlord's building standard colors; (iv) the removal of all voice and/or data cabling installed by or for Tenant including, without limitation, all applicable ladder racks, trays, and raceways; (v) the removal of all debris, personal property and trash; and (vi) all other Tenant Obligations as defined in Paragraph 7.2 below. Except as otherwise stated in this Lease or

instructed by Landlord, Tenant shall leave the airlines, power panels, electrical distribution systems, lighting fixtures, air conditioning, window coverings, carpets, ceilings and plumbing on the Premises and in good operating condition. Landlord reserves the right to repair any structural damage caused by Tenant and/or any of Tenant's invitees, licensees, employees, affiliates, representatives, agents and other similar third parties (collectively, "Tenant Parties") at Tenant's expense. If Tenant fails to comply with the provision of this Paragraph 3.6, Landlord may effect the removal and/or make any repairs, and the cost to Landlord shall be additional rent payable by Tenant upon demand. If requested by Landlord, Tenant shall execute, acknowledge and deliver to Landlord an instrument in writing releasing and quitclaiming to Landlord all right, title and interest of Tenant in the Premises.

4. Rent Defined.

All monetary obligations of Tenant to Landlord including, without limitation, Monthly Base Rent, Tenant's Share of Operating Expenses and Real Property Taxes, late charges, NSF fees and all other monetary obligations of Tenant to Landlord under the terms of this Lease (except for Security Deposits as defined in Paragraph 5) are considered rent under this Lease ("Rent").

4.1 Monthly Base Rent. Tenant shall pay to Landlord the Monthly Base Rent set forth in Paragraph 1.6 and its subparagraphs of the Basic Lease Provisions, without offset or deduction except as provided in Paragraph 13.6(b). Tenant shall pay Landlord upon execution hereof the advance Monthly Base Rent described in Paragraph 1.7 of the Basic Lease Provisions. Rent for any period during the Lease Term hereof which is for less than one month shall be prorated based upon the actual number of days of the calendar month involved. Rent shall be payable in lawful money of the United States to Landlord at the address stated herein or to such other persons or at such other places as Landlord may designate in writing.

4.2 Real Property Taxes. Tenant shall pay Landlord, as additional rent, Tenant's proportionate share per 1.9.1 of all Real Property Taxes as defined in Paragraph 10. Landlord shall cooperate and assist Tenant in providing any information, and access to the County Assessor, and assist Tenant in obtaining from the County of Riverside any available discount or exemptions from Real Property Taxes pursuant to California Revenue & Tax Code Section 202.2, and/or any other law.

4.3 Operating Expenses and Increases. Tenant shall pay Landlord, as additional rent, Tenant's proportionate share of the portion of the "Operating Expenses" for each "Comparison Year" that exceed the amount of all Operating Expenses for the "Operating Expense Base Year" as those terms are defined below ("Operating Expense Increase"). Tenant's proportionate share of Operating Expense Increases may be billed separately or in combination, as determined in the sole discretion of Landlord, and in accordance with the following provisions:

(a) "Tenant's Share" is defined, for purposes of this Lease, as the percentage set forth in Paragraph 1.9.1 of the Basic Lease Provisions, which percentage has been determined by dividing the approximate rentable square footage of the Premises by the total approximate rentable square footage of the space contained in the Building. It is understood and agreed that the square footage figures set forth in Basic Lease Provisions are approximations which

Landlord and Tenant agree are reasonable and shall not be subject to revision except in connection with an actual change in the size of the Premises or a change in the space available for lease in the Building. Tenant's proportionate share of Operating Expense Increases shall be hereinafter referred to as "Tenant's Share of Operating Expenses."

(b) "Operating Expense Base Year" is defined as the calendar year stated in Paragraph 1.9.2.

(c) "Comparison Year" is defined as each calendar year during the Lease Term of this Lease subsequent to any Base Year commencing January 1st immediately following the end of each of the Operating Expense Base Years and continuing each Comparison Year thereafter. Tenant shall have no obligation to pay its prorata share of Operating Expenses at any time during the Operating Expense Base Year defined in Paragraph 4.3(b) above (other than such as are mandated by a governmental authority as to which government mandated expenses Tenant shall pay Tenant's Share, notwithstanding they occur during the Operating Expense Base Year). Tenant's Share of the Operating Expenses for the last Comparison Years of the Lease Term shall be prorated according to that portion of such Comparison Year as to which Tenant is responsible for a share of such Operating Expenses.

(d) Ninety-Five Percent (95%) Occupancy Adjustment. In the event during the Operating Expenses Base Year, or any Comparison Year thereafter, the Building is less than ninety-five percent (95%) occupied at any time, the applicable calendar year Operating Expenses, shall be adjusted to reflect the Operating Expenses of the Building as though ninety-five percent (95%) were occupied at all times.

(e) "Operating Expenses" is defined, for purposes of this Lease, to include all costs, if any, incurred by Landlord in the operation of the Office Building Project and shall include, but not be limited to:

(i) The operation, repair, maintenance, and replacement, in neat, clean, safe, good order and condition the Common Areas, including without limitation, their surfaces, coverings, decorative items, furniture, floor covering, carpets, drapes and window coverings, entry doors, hatch doors, elevators, parking areas, loading and unloading areas, trash areas, trash receptacles, roadways, sidewalks, walkways, stairways, parkways, driveways, landscaped areas, open areas, parking lot striping, bumpers, lights, directional signs, irrigation systems, Common Area lighting facilities, building exteriors, roofs, fences and gates;

(ii) The operation, repair, maintenance, and replacement, in neat, clean, safe, good order and condition of all heating, air conditioning, plumbing, electrical systems, life safety equipment, telecommunication and other equipment used in common by, or for the benefit of, Tenants or occupants of the Office Building Project, including elevators and escalators, tenant directories, fire detection systems including sprinkler systems maintenance, monitoring and repair.

(iii) Trash disposal, janitorial and security services;

(iv) Any other service to be provided by Landlord that is elsewhere in this Lease stated to be an "Operating Expense";

(v) The cost of premiums for liability and property insurance policies maintained by Landlord or such other insurance coverage as may be required by Landlord's lender(s);

(vi) The cost of water, sewer, gas, electricity, and other utility services provided to the Office Building Project;

(vii) Labor, salaries and applicable fringe benefits and costs, materials, supplies and tools, used in maintaining, cleaning and managing the Office Building Project, together with all accounting, property management and asset management fees attributable to the operation of the Office Building Project;

(viii) Replacements of equipment or improvements that have a useful life for depreciation purposes according to Federal income tax guidelines of five (5) years or more provided, however, the applicable annual depreciation expense is amortized over such life;

(ix) One hundred percent (100%) of the replacement cost of equipment or improvements that have a useful life for depreciation purposes according to Federal income tax guidelines of five (5) years or less shall be expensed in the calendar year such expense is incurred.

(f) Operating Expenses shall not include the Landlord's legal, marketing, or tenant improvement costs associated with the leasing of space in the Office Building Project.

(g) Operating Expenses shall not include any expenses paid by any Tenant directly to third parties, or as to which Landlord is otherwise reimbursed by any third party, or by insurance proceeds.

(h) Tenant's Share of Operating Expenses shall be payable by Tenant within ten (10) days after a reasonably detailed statement of actual expenses is presented to Tenant by Landlord. At Landlord's option, however, an amount may be estimated by Landlord from time to time in advance of Tenant's Share of the Operating Expenses for any Comparison Year, and the same shall be payable monthly or quarterly, as Landlord shall designate, during each Comparison Year of the Lease Term, on the same day as the Monthly Base Rent is due hereunder. In the event that Tenant pays Landlord's estimate of Tenant's Share of Operating Expenses as aforesaid, Landlord shall endeavor to deliver to Tenant by April 30 of each Comparison Year, a reasonably detailed statement showing Tenant's Share of actual Operating Expenses incurred during such year. If Tenant's payments under this Paragraph 4.3(h) during said Comparison Year exceeded Tenant's Share of Operating Expenses as indicated on said statement, Tenant shall be entitled to credit the amount of such overpayment against Tenant's Share of Operating Expenses next falling due. If Tenant's payments under this paragraph during said Comparison Year was less than Tenant's Share of Operating Expenses as indicated on said statement, Tenant shall pay to Landlord the amount of the deficiency within ten (10) days after delivery by Landlord to Tenant of said

statement. Landlord and Tenant shall forthwith adjust between them by cash payment any balance determined to exist with respect to that portion of the last Comparison Year for which Tenant is responsible as to Operating Expenses, notwithstanding that the Lease Term may have terminated before the end of such Comparison Year. Landlord reserves the right to deliver to Tenant a reasonable estimate of the anticipated reconciliation amount to Tenant prior to the expiration of Lease Term, in which event Tenant shall pay Landlord, if applicable, any underpayment of Tenant's estimated share of Operating Expenses.

4.4 Payment. Tenant shall cause payment of Rent to be received by Landlord in lawful money of the United States on or before the 1st day of each month or such other date as may be defined in this Lease, without offset or deduction except as provided in Paragraph 13.6(b). Rent for any period during the Lease Term hereof which is less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Landlord at its address stated herein or to such other persons or place as Landlord may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Landlord's rights to the balance of such Rent, regardless of Landlord's endorsement of any check so stating. Payments will be applied first to accrued late charges, charges relating to non-sufficient funds ("NSF") and attorney's fees, second to accrued interest, then to Monthly Base Rent and Operating Expense Increase, and thereafter to any other outstanding charges or costs.

5. Security Deposit.

Tenant shall deposit with Landlord upon execution hereof the Security Deposit set forth in Paragraph 1.8 of the Basic Lease Provisions as security for Tenant's faithful performance of Tenant's obligations hereunder. If Tenant fails to pay Rent or other charges due hereunder, or otherwise defaults with respect to any provision of this Lease, Landlord may use, apply or retain all or any portion of said deposit for the payment of any Rent or other charge in default for the payment of any other sum to which Landlord may become obligated by reason of Tenant's default, or to compensate Landlord for any loss or damage which Landlord may suffer. If Landlord so uses or applies all or any portion of said deposit, Tenant shall within ten (10) days after written demand therefor deposit cash with Landlord in an amount sufficient to restore said deposit to the full amount then required of Tenant. If the Monthly Base Rent, from time to time, increases to an amount greater than the current Security Deposit during the Lease Term, Tenant shall, at the time of such increase, deposit with Landlord additional money as a Security Deposit so that the total amount of the Security Deposit held by Landlord shall at all times bear the same proportion to the then current Monthly Base Rent as the initial Security Deposit bears to the initial Monthly Base Rent set forth in Paragraph 1.6 of the Basic Lease Provisions. Landlord shall not be required to keep said Security Deposit separate from its general accounts. If Tenant performs all of Tenant's obligations hereunder, said deposit, or so much thereof as has not heretofore been applied by Landlord, shall be returned, without payment of interest or other increment for its use, to Tenant (or, at Landlord's option, to the last assignee, if any, of Tenant's interest hereunder) at the expiration of the Lease Term hereof and after Tenant has vacated the Premises. No trust relationship is created herein between Landlord and Tenant with respect to said Security Deposit.

6. Use.

6.1 Use. The Premises may be used for the use or uses set forth in Subparagraph 1.4 only, and Tenant will not use or permit the Premises to be used for any other purpose without the prior written consent of Landlord, which consent Landlord will not unreasonably withhold.

6.2 Compliance with Law. Tenant shall, at Tenant's expense, promptly comply with all applicable statutes, ordinances, rules, regulations, orders, covenants and restrictions of record, and requirements of any fire insurance underwriters or rating bureaus, now in effect or which may hereafter come into effect, whether or not they reflect a change in policy from that now existing, during the Lease Term or any part of the Lease Term hereof, relating in any manner to the Premises and the occupation and use by Tenant of the Premises. Tenant shall conduct its business in a lawful manner and shall not use or permit the use of the Premises or the Common Areas in any manner that will tend to create waste or nuisance or shall tend to disturb other occupants of the Office Building Project.

6.3 Condition of Premises; Tenant Improvements.

(a) Landlord will deliver possession of the Premises to Tenant in its current "as-is", "where is", "with all faults" condition subject to a mutually agreed schedule for construction of the improvements as outlined in the Work Letter attached to this Lease as Exhibit "B" ("Tenant Improvements"). Landlord shall complete the work as described on the Work Letter prior to the Rent Commencement Date, including:

(i) Standard Class A (typical for the Corona/Riverside area) build-to-suit tenant improvements including: Board room, built-in reception, offices, and conference rooms, break rooms, typical Information Technology ("IT") secured rooms, and two (2) additional (non-common area) restrooms. IT build-out to include Cat 6 drops to Board room, offices, and conference rooms. Landlord shall provide secure door locks on all internal doors; and

(ii) Emergency generator at Tenant's sole cost; provided however, Tenant may elect to have this item included in the FF&E leasing option described in Paragraph 1.6.3.

Provided, however, notwithstanding anything to the contrary contained herein or in any Work Letter, Landlord's cost for any Tenant Improvements shall not exceed an average of Forty-Five Dollars (\$45.00) per each of the Usable Square Feet of the Premises. Any change orders requested by Tenant which add to the time for completion shall be Tenant's responsibility and shall not delay the Rent Commencement Date (had Tenant not made such change orders).

(b) If, for any reason not caused by Tenant, Landlord is unable to complete the Tenant Improvements and obtain final building inspection approval prior to the estimated Rent Commencement Date of October 1, 2014, this Lease will not be void or voidable, nor will Landlord be liable to Tenant for any loss or damage resulting from such delay, but in such event, the Rent Commencement Date and Tenant's obligation to pay rent as of the Rent Commencement Date will not commence until Landlord completes the Tenant Improvements and obtains the final building inspection approval. If the delay in possession is caused by

Tenant, then Tenant's obligation to pay rent will commence as of the estimated Rent Commencement Date of October 1, 2014 even though the Tenant Improvements may not yet be completed. Notwithstanding the foregoing, if the Tenant Improvements are not completed and the final building inspection approval is not obtained by Landlord within one hundred eighty (180) days after the estimated Rent Commencement Date of October 1, 2014, as the same may be extended under the terms of any Work Letter executed by the Parties, Tenant may, at its option, by notice in writing within ten (10) days after the end of such one hundred eighty (180) day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Landlord within said ten (10) day period, Tenant's right to cancel shall terminate.

(c) Except as otherwise provided in this Lease, Tenant hereby accepts the Premises and the Office Building Project in their condition existing as of the Rent Commencement Date or the date that Tenant takes possession of the Premises, whichever is earlier, subject to all applicable zoning, municipal, county and state laws, ordinances and regulations governing and regulating the use of the Premises, and any easements, covenants or restrictions of record, and accepts this Lease subject thereto and to all matters disclosed thereby and by any exhibits attached hereto. Tenant acknowledges that, except as provided in this Lease, neither Landlord nor any agent of Landlord has made any representation or warranty with respect to the Common Areas, Premises, Building or the Office Building Project or any portions thereof or with respect to the suitability of same for the conduct of Tenant's business. Tenant further acknowledges that Landlord will have no obligation to construct or complete any additional buildings or improvements within the Office Building Project. Tenant acknowledges that it has satisfied itself by its own independent investigation that the Premises are suitable for its intended use, possession and to have acknowledged that it has reviewed and accepted any and all zoning, use or any other regulatory laws or codes applicable to Tenant's business in the Premises.

7. Maintenance, Repairs, Alterations and Common Area Services.

7.1 Landlords Obligations. Landlord shall keep the Office Building Project, including the Common Area interior and exterior walls, roof, and common areas, and the equipment used in common with other premises, in good condition and repair. Landlord shall additionally maintain and keep in good working condition within the Premises (i) standard light bulbs and ballasts; (ii) standard electrical outlets and junction boxes (excluding all electrical connections and outlets associated with Tenant's modular furniture systems, if any); and (iii) heating, ventilation, and air conditioning systems ("HVAC") serving the Premises (excluding Tenant's custom or specialized equipment including without limitation Tenant's computer server or HVAC equipment room), however, Landlord shall not be obligated to paint, repair or replace wall coverings, or to repair or replace any improvements within the Premises or determined by Landlord to be above the then existing Building standards. Except as provided in Paragraph 9.5, there shall be no abatement of rent or liability of Tenant on account of any injury or interference with Tenant's business with respect to any improvements, alterations or repairs made by Landlord to the Office Building Project or any part thereof. Tenant expressly waives the benefits of any statute now or hereafter in effect which would otherwise afford Tenant the right to make repairs at Landlord's expense, with offset, or terminate this Lease because of Landlord's failure to keep the Premises in good order, condition and repair.

7.2 Tenant's Obligations. Tenant shall be responsible for payment of the cost thereof to Landlord as additional rent for the portion of the cost of any maintenance and repair of the Premises, or any appliances, non-building standard lighting/electrical systems and plumbing systems, and equipment (wherever located) that serves only the Tenant or the Premises, excluding Landlord's Obligations contained in Paragraph 7.1 herein. Tenant shall be responsible for the cost of painting, repairing or replacing wall and window coverings, and to repair or replace any Premises improvements that are not ordinarily a part of the Building or that are above the Building standards. All repairs performed by Tenant shall be at least equal in quality to the original work, shall, except to the extent compliance with statutory competitive bidding requirements is required by law, be made only by licensed, bonded contractors approved in writing in advance by Landlord (which approval Landlord shall not unreasonably withhold, delay or condition), and shall be made only at the time or times approved by Landlord; provided, such approvals from Landlord shall not be unreasonably withheld. Any contractor utilized by Tenant shall be subject to Landlord's standard requirements for contractors, as may be reasonably modified from time to time. Alternatively, should Landlord or its management agent agree to make a repair on behalf of Tenant and at Tenant's request, Tenant shall promptly reimburse Landlord as additional rent for all costs incurred (including Landlord's standard supervision) within thirty (30) days submission of an invoice.

7.3 Alterations and Additions.

(a) Tenant shall not without Landlord's prior written consent make any alterations, improvements, additions, Utility Installations or repairs in, on or about the Premises, or the Office Building Project. As used in this Paragraph 7.3 the term "Utility Installation" shall mean carpeting, window and wall coverings, power panels, electrical distribution systems, lighting fixtures, air conditioning, plumbing, and telephone and telecommunication wiring and equipment. At the expiration of the Lease Term, Landlord may require the removal of any or all of said alterations, improvements, additions or Utility Installations, and the restoration of the Premises and the Office Building Project to their prior condition, at Tenant's expense. Should Landlord permit Tenant to make its own alterations, improvements, additions or Utility Installations, then, except to the extent compliance with statutory competitive bidding procedures is required by law, the Tenant shall use only such contractor as has been expressly approved by Landlord (such approval Landlord shall not unreasonably withhold, condition or delay), and Landlord may require Tenant to provide Landlord, at Tenant's sole cost and expense, a lien and completion bond in an amount equal to one hundred percent (100%) of the estimated cost of such improvements, to insure Landlord against any liability for mechanic's and materialmen's liens and to insure completion of the work. Should Tenant make any alterations, improvements, additions or Utility Installations without the prior approval of Landlord, or use a contractor other than in accordance with this Section, Landlord may, at any time during the Lease Term, require that Tenant remove any part or all of the same.

(b) Any alterations, improvements, additions or Utility Installations in or about the Premises or the Office Building Project that Tenant shall desire to make shall be presented to Landlord in written form, with proposed detailed plans. Should the work proposed by Tenant modify the internal configuration of the Premises or Building, then Tenant shall, at its expense, furnish Landlord with as-built drawings and computer-aided design and drafting ("CADD")

disks compatible with Landlord's system. If Landlord shall give its consent to Tenant's making such alteration, improvement, addition or Utility Installation, the consent shall be deemed conditioned upon Tenant acquiring a permit to do so from the applicable governmental agencies, furnishing a copy thereof to Landlord prior to the commencement of the work, and compliance by Tenant with all conditions of said permit in a prompt and expeditious manner.

(c) Tenant shall pay, when due, all claims for labor or materials furnished or alleged to been furnished to or for Tenant at or for use in the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises, the Building or the Office Building Project, or any interest therein. If not removed within thirty (30) days, Tenant shall provide Landlord with a bond in an amount equal to one hundred fifty percent (150%) on the lien amount assuring payment of amounts actually due and removal of the lien.

(d) In addition to all other Tenant requirements pertaining to Tenant alterations, Tenant shall pay Landlord in advance of the commencement of any construction, a construction supervision fee in the amount of the greater of I) five percent (5%) of the total estimated cost of such improvements; or, Five Thousand Dollars (\$5,000.00).

(e) Tenant shall give Landlord not less than ten (10) days' notice prior to the commencement of any work in the Premises by Tenant, and Landlord shall have the right to post notices of non-responsibility in or on the Premises or the Building as provided by law. If Tenant shall, in good faith, contest the validity of any such lien, claim or demand, then Tenant shall, at its sole expense defend itself and Landlord against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof against the Landlord or the Premises, the Building or the Office Building Project, upon the condition that if Landlord shall require, Tenant shall furnish to Landlord a surety bond satisfactory to Landlord in an amount equal to such contested lien claim or demand indemnifying Landlord against liability for the same and holding the Premises, the Building and the Office Building Project free from the effect of such lien or claim. In addition, Landlord reserves the right to require Tenant to pay Landlord's reasonable attorney's fees and costs in participating in such action.

(f) All alterations, improvements, additions and Utility Installations (whether or not such Utility Installations constitute trade fixtures of Tenant), which may be made to the Premises by Tenant, including but not limited to, floor coverings, paneling, doors, drapes, built-ins, moldings, sound attenuation, and lighting and telephone or communication systems, conduit, wiring and outlets, shall be made and done in a good and workmanlike manner and of good and sufficient quality and materials and shall be the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Lease Term, unless Landlord requires their removal pursuant to Paragraph 7.3 (a). Notwithstanding the provisions of this Paragraph 7.3(f), Tenant's personal property and equipment (including but not limited to, records, papers, files and other confidential documents), other than that which is affixed to the Premises so that it cannot be removed without material damage to the Premises or the Building, and other than Utility Installations, shall remain the property of Tenant and may be removed by Tenant subject to the provisions of Paragraph 7.2.

7.4 Utility Additions. Landlord reserves the right to install new or additional utility facilities throughout the Office Building Project for the benefit of Landlord or Tenant, or any other Tenant of the Office Building Project, including, but not by way of limitation, such utilities as plumbing, electrical systems, communication systems, and fire protection and detection systems, so long as such installations do not unreasonably interfere with Tenant's use of the Premises.

8. Insurance; Indemnity.

8.1 Liability Insurance-Tenant. Tenant shall, at all Tenant's expense, obtain and keep in force during the Lease Term a policy of Comprehensive General Liability insurance utilizing an Insurance Services Office Standard Form with Broad Form General Liability Endorsement, in an amount of not less than \$1,000,000 per occurrence of bodily injury and property damage combined or in a greater amount as reasonably determined by Landlord and shall insure Tenant with Landlord and Landlord's asset management and property management companies as an additional insured against liability arising out of the use, occupancy or maintenance of the Premises. Compliance with the above requirement shall not limit the liability of Tenant hereunder. Additionally, Tenant shall comply with all Insurance Requirements as Outlined on Exhibit "D".

8.2 Property Insurance-Tenant. As provided in Exhibit "D" attached hereto, Tenant shall, at Tenant's expense, obtain and keep in force during the Lease Term, replacement cost fire and extended coverage insurance, with vandalism and malicious mischief, sprinkler leakage and earthquake sprinkler leakage endorsements, in an amount sufficient to cover not less than 100% of the full replacement cost, as the same may exist from time to time, of all of Tenant's personal property, fixtures, equipment and tenant improvements.

8.3 Insurance Policies. As provided in Exhibit "D" attached hereto, Tenant shall deliver to Landlord copies of liability insurance policies required under Paragraph 8.1 or certificates evidencing the existence and amounts of such insurance prior to Tenant's possession of the Premises. Additionally, Tenant shall deliver to Landlord the certificates showing the additional insureds set forth in Paragraph 5 of Exhibit "D." No such policy shall be cancelable or subject to reduction of coverage or other modification except after thirty (30) days prior written notice to Landlord. Tenant shall, at least thirty (30) days prior to the expiration of such policies, furnish Landlord with renewals thereof.

8.4 Waiver of Subrogation. Tenant hereby releases and relieves Landlord, and waives Tenant's entire right of recovery against Landlord, for direct or consequential loss or damage arising out of or incident to the perils covered by property insurance carried by Tenant, whether due to the negligence of Landlord or their agents, employees, contractors and/or invitees. If necessary, all property insurance policies required under this Lease shall be endorsed to so provide.

8.5 Assumption of Risk and Indemnification.

(a) Assumption of Risk. Tenant, as a material part of the consideration to Landlord, agrees that neither Landlord nor Landlord partners, members, officers, directors, employees,

agents, attorneys, lenders, successors and assigns (collectively, "Landlord Indemnified Parties") shall be liable to Tenant for, and Tenant expressly assumes the risk of and waives any and all claims it may have against Landlord or any Landlord Indemnified Parties with respect to, (i) any and all damage to property or injury to persons in, upon or about the Premises, the Building or the Office Building Project resulting from the act or omission of Landlord other than any act or omission of Landlord that is negligent, intentionally wrongful or contrary to this Lease, (ii) any such damage caused by other tenants or persons in or about the Office Building Project, or caused by quasi-public work, (iii) any damage to property entrusted to employees of the Office Building Project, (iv) any loss of or damage to property by theft or otherwise not caused by Landlord or any of its employees, agents or contractors, or (v) any injury or damage to persons or property resulting from any casualty, explosion, falling plaster or other masonry or glass, steam, gas, electricity, water or rain which may leak from any part of the Office Building or any other portion of the Common Areas or from the pipes, appliances or plumbing works therein or from the roof, street or subsurface or from any other place, or resulting from dampness, other than injuries or damages resulting from any failure by Landlord to perform its obligations pursuant to Section 7.1 of this Lease. Neither Landlord nor any Landlord Indemnified Parties will be liable for consequential damages arising out of any loss of the use of the Premises or any equipment or facilities therein by Tenant or any Tenant Parties, or for interference with light. Tenant agrees to give prompt notice to Landlord in case of fire or accidents in the Premises or Building or the Office Building Project, or of defects therein or in the fixtures or equipment.

(b) Indemnification. Tenant will be liable for, and agrees, to the maximum extent permissible under applicable law, to promptly indemnify, protect, defend and hold harmless Landlord and all Landlord Indemnified Parties (defined in 8.5(a) above), from and against, any and all claims, damages, judgments, suits, causes of action, losses, liabilities, penalties, fines, expenses and costs including attorneys' fees and court costs (collectively, "Indemnified Claims"), arising or resulting from (i) any act or omission of Tenant or any Tenant Parties; (ii) the use of the Premises, Common Areas, Building or the Office Building Project and conduct of Tenant's business by Tenant or any Tenant Parties, or any other activity, work or thing done, permitted or suffered by Tenant or any Tenant Parties, in or about the Premises, the Building, the Office Building Project or elsewhere; and/or (iii) any default by Tenant of any obligations on Tenant's part to be performed under the terms of this Lease. In case any claim, action or proceeding is brought against Landlord or any Landlord Indemnified Parties by reason of any such Indemnified Claims, Tenant, upon notice from Landlord, agrees to promptly defend the same at Tenant's sole cost and expense by counsel approved in writing by Landlord, which approval Landlord shall not unreasonably withhold, condition or delay.

(c) Survival; No Release of Insurers. Tenant's indemnification obligations under Subparagraph 8.5(b) will survive the expiration or earlier termination of this Lease. Tenant's covenants, agreements and indemnification obligations arising pursuant to Subparagraphs 8.5 (a) and 8.5 (b) above, are not intended to and shall not relieve any insurance carrier of its obligations under policies required to be carried by Tenant pursuant to the provisions of this Lease.

8.6 No Representation of Adequate Coverage. Landlord makes no representation that the limits or forms of coverage of insurance specified in this Paragraph 8 are adequate to cover Tenant's property or obligations under this Lease.

8.7 Failure to Maintain Insurance. For any period or periods in which Tenant fails to maintain any insurance required by this Lease, or, if after ten (10) days following the Rent Commencement Date, Tenant has not provided Landlord with the additional insured endorsements required to be submitted pursuant to this Lease, without further notice, Monthly Base Rent shall be automatically increased by Two Hundred and Fifty Dollars (\$250.00) per month, until such time as Tenant complies with the insurance provisions of this Lease. Notwithstanding anything contained herein to the contrary, the foregoing shall not be construed, interpreted, or deemed (i) a waiver of any default created by reason of Tenant's failure to provide the insurance certificates and endorsements called for in this Lease; (ii) limit any other right or remedy of Landlord; (iii) relieve Tenant of its obligations regarding maintenance of insurance as provided by the Lease; or (iv) be considered a policy of insurance in favor of Tenant. Landlord and Tenant agree the additional monthly charge described herein represents a fair and reasonable estimate of the additional administrative costs Landlord will incur by reason of any failure by Tenant to provide the required insurance documentation to Landlord.

8.8 Joint Powers Insurance. Notwithstanding anything else in this Lease, but provided that the Tenant's insurance coverage complies with all other applicable requirements set forth in this Lease, the Tenant may maintain the insurance coverage required by this Lease through a joint-powers insurance cooperative or agency, of which the Tenant is a member.

9. Damage or Destruction.

9.1 Definitions.

- (a) "Premises Damage" shall mean if the Premises are damaged or destroyed to any extent.
- (b) "Premises Building Partial Damage" shall mean if the Building of which the Premises are a part is damaged or destroyed to the extent that the cost to repair is less than fifty percent (50%) of the then Replacement Cost of the Building.
- (c) "Premises Building Total Destruction" shall mean if the Building which the Premises are a part is damaged or destroyed to the extent that the cost to repair is fifty percent (50%) or more of the then Replacement Cost of the Building
- (d) "Office Building Project Buildings" shall mean all of the buildings on the Office Building Project site.
- (e) "Office Building Project Buildings Total Destruction" shall mean if the Office Building Project Buildings are damaged or destroyed to the extent that the cost of repair is fifty percent (50%) or more of the then Replacement Cost of the Office Building Project Buildings.
- (f) "Insured Loss" shall mean damage or destruction which was caused by an event required to be covered by the insurance policies described in Paragraph 8. The fact that an Insured Loss has a deductible amount shall not make the loss an uninsured loss.
- (g) "Replacement Cost" shall mean the amount of money necessary to be spent in order to repair or rebuild the damaged area to the condition that existed immediately prior to the damage occurring, excluding all improvements made by Tenants, other than those installed by Landlord at Tenant's expense.

9.2 Premises Damage: Premises Building Partial Damage.

(a) Insured Loss: Subject to the provisions of Paragraphs 9.4 and 9.5, if at any time during the Lease Term there is damage which is an Insured Loss and which falls into the classification of either Premises Damage or Premises Building Partial Damage, then Landlord shall, as soon as reasonably possible and to the extent the required materials and labor are readily available through usual commercial channels, at Landlord's expense, repair such damage (but not Tenant's fixtures, equipment or tenant improvements originally paid for by Tenant) to the condition existing at the time of the damage, and this Lease shall continue in full force and effect.

(b) Uninsured Loss: Subject to the provisions of Paragraphs 9.4 and 9.5, if at any time during the Lease Term there is damage which is not an Insured Loss and which falls within the classification of Premises Damage or Premises Building Partial Damage, unless caused by a negligent or willful act of Tenant (in which event Tenant shall make the repairs at Tenant's expense), which damage prevents Tenant from making any substantial use of the Premises. Landlord may at Landlord's option either (i) repair such damage as soon as reasonably possible at Landlord's expense, in which event this Lease shall continue in full force and effect, or (ii) give written notice to Tenant within thirty (30) days after the date of the occurrence of such damage of Landlord's intention to cancel and terminate this Lease as of the date of the occurrence of such damage, in which event this Lease shall terminate as of the date of the occurrence of such damage.

9.3 Premises Building Total Destruction; Office Building Project Total Destruction.

Subject to the provisions of Paragraphs 9.4 and 9.5, if at any time during the Lease Term there is damage, whether or not it is an Insured Loss, which falls into the classifications of either (i) Premises Building Total Destruction, or (ii) Office Building Total Destruction, then Landlord may at Landlord's option either (i) repair such damage or destruction as soon as reasonably possible at Landlord's expense (to the extent required materials are readily available through usual commercial channels) to its condition existing at the time of the damage, but not Tenant's fixtures, equipment or tenant improvements, and this Lease shall continue in full force and effect, or (ii) give written notice to Tenant within thirty (30) days after the date of occurrence of such damage of Landlord's intention to cancel and terminate this Lease, in which case this Lease shall terminate as of the date of the occurrence of such damage.

9.4 Damage Near End of Term. Landlord and Tenant shall each have the right to terminate this Lease if any damage to the Premises or the Building occurs during the last twelve (12) months of the Lease Term where Landlord's contractor estimates in a writing delivered to Landlord and Tenant that the repair, reconstruction or restoration of such damage cannot be completed within sixty (60) days after the date of such casualty. If either party desires to terminate this Lease under this Paragraph 9.4, it shall provide thirty (30) days written notice to the other party of such election within ten (10) days after receipt of Landlord's contractor's repair estimates.

9.5 Abatement of Rent: Tenant's Remedies.

(a) In the event Landlord repairs or restores the Building or Premises pursuant to the provisions of this Paragraph 9, and any part of the Premises are not usable (including loss of use due to loss of access or essential services), the rent payable hereunder (including Tenant's Share of Operating Expense Increase) for the period during which such damage, repair or restoration continues shall be abated, provided (i) the damage was not the result of the negligence of the Tenant or any of the Tenant Parties, and (ii) such abatement shall only be to the extent the operation and profitability of Tenant's business as operated from the Premises is adversely affected. Except for said abatement of rent, if any, Tenant shall have no claim against Landlord for any damage suffered by reason of any such damage, destruction, repair or restoration.

(b) If Landlord shall be obligated to repair or restore the Premises or the Building under the provisions of this Paragraph 9 and shall not commence such repair or restoration within ninety (90) days after such occurrence, or if Landlord shall not complete the restoration and repair within six (6) months after such occurrence, Tenant may at Tenant's option cancel and terminate this Lease by giving Landlord written notice of Tenant's election to do so at any time prior to the commencement or completion, respectively, of such repair or restoration. In such event this Lease shall terminate as of the date of such notice.

(c) Tenant agrees to cooperate with Landlord in connection with any such restoration and repair, including but not limited to the approval and/or execution of plans and specifications required.

9.6 Termination - Advance Payments. Upon termination of this Lease pursuant to this Paragraph 9, an equitable adjustment shall be made concerning advance rent and any advance payments made by Tenant to Landlord. Landlord shall, in addition, return to Tenant so much of Tenant's Security Deposit as, prior to such time, has been duly applied by Landlord.

9.7 Waiver. Landlord and Tenant waive the provisions of any statute which relates to termination of leases when leased property is destroyed and agree that such event shall be governed by the terms of this Lease.

10. Property Taxes.

10.1 Payment of Taxes. Tenant shall pay all of the Real Property Taxes, as defined in Paragraph 10.3 below, and in accordance with the provisions of Paragraph 4.2 above except as otherwise provided in Paragraph 10.2 below. Tenant shall be responsible for the Tenant's Share of any increase in Real Property Taxes caused in whole or in part by the limitation, expiration or elimination of any protections under Proposition 13.

10.2 Additional Improvements. Tenant shall not be responsible for paying any increase in Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Office Building Project by other Tenants or by Landlord for the exclusive enjoyment of any other Tenant. Tenant shall however pay to Landlord at the time that Operating Expense Increases are payable under Paragraph 4.3(c) above,

the entirety of any increase in Real Property Taxes if assessed solely by reason of additional improvements placed upon the Premises by Tenant or at Tenant's request.

10.3 Definition of "Real Property Taxes." As used herein, the term Real Property Taxes shall include any form of real estate tax or assessment, including but not limited to any assessment levied by an Assessment District or a Community Facilities District, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed on the Office Building Project or any portion thereof by any authority having the direct or indirect power to tax, including any city, county, state or federal government, or any school, agricultural, sanitary, fire, street, drainage or other improvement district thereof, as against any legal or equitable interest of Landlord in the Office Building Project or in any portion thereof. The term Real Property Taxes shall also include any tax, fee, levy, assessment, or charge (i) in substitution of partially or totally, any tax, fee, levy, business tax or license, assessment or charge hereinabove included within the definition of Real Property Taxes, or (ii) the nature of which was hereinbefore included within the definition of Real Property Taxes, or (iii) which is imposed for a service or right not charged prior to June 1, 1978, or, if previously charged, has been increased since June 1, 1978, or (iv) which is imposed as a result of a change in ownership, as defined by applicable local statutes for property tax purposes, of the Office Building Project or which is added to a tax or charge hereinbefore included within the definition of Real Property Taxes by reason of such change of ownership, (v) all license fees imposed by a local municipality for Landlord to conduct business in the local jurisdiction in which the Office Building Project is located, or (vi) which is imposed by reason of this transaction, any modifications or changes hereto, or any transfers hereof. The term Real Property Taxes does not include any taxes or other amount that is levied or assessed on or with respect to the Landlord's rental or other income, profits or similar amounts.

10.4 Joint Assessment. If the improvements or property, the taxes for which are to be paid separately by Tenant under Paragraph 10.2 or 10.5 herein are not separately assessed, Tenant's portion of that tax shall be equitably determined by Landlord from the respective valuations assigned in the Assessor's work sheets or such other information (which may include the cost of construction) as many be reasonably available. The Tenant must assert any challenge to the Landlord's determination within a reasonable time after receiving notice of the determination from the Landlord.

10.5 Personal Property Taxes.

(a) Tenant shall pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property of Tenant contained in the Premises.

(b) If any of Tenant's said personal property shall be assessed with Landlord's real property, Tenant shall pay to Landlord the taxes attributable to Tenant within ten (10) days after receipt of a written statement setting forth the taxes applicable to Tenant's property.

11. Utilities.

11.1 Services Provided by Landlord. Landlord shall provide, or cause to be provided, heating, ventilation, air conditioning, janitorial service, and electricity in the manner as set forth in Exhibit "F" attached hereto, and incorporated herein by this reference.

11.2 Hours of Service. Said services and utilities shall be provided in accordance with the hours, times and days stated in Paragraph 1.15 of the Lease. Utilities and services required at other times shall be subject to the terms and conditions of Exhibit "F" attached hereto.

11.3 Excess Usage by Tenant. Tenant shall not make connection to the utilities except by or through existing outlets and shall not install or use machinery or equipment in or about the Premises that uses excess water, lighting or power, or suffer or permit any act that causes extra burden upon the utilities or services, including but not limited to security services, over standard office usage for the Office Building Project. Landlord shall require Tenant to reimburse Landlord for any excess expenses or costs that may arise out of a breach of this subparagraph or Exhibit "F" attached hereto by Tenant. Landlord may, in its sole discretion, install at Tenant's expense supplemental equipment and/or separate metering applicable to Tenant's excess usage or loading.

11.4 Interruptions. There shall be no abatement of rent and Landlord shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Landlord's reasonable control or in cooperation with governmental request or directions.

12. Assignment and Subletting.

12.1 Restriction on Transfer. Except as expressly provided in this Paragraph 12, Tenant will not, either voluntarily or by operation of law, assign or encumber this Lease or any interest herein or sublet the Premises or any part thereof, or permit the use or occupancy of the Premises by any party other than Tenant (any such assignment, encumbrance, sublease or the like will sometimes be referred to as a "Transfer"), without the prior written consent of Landlord, which consent Landlord will not unreasonably withhold. For purposes of this Paragraph 12, if Tenant is a corporation, partnership or other entity, any transfer, assignment, encumbrance or hypothecation of twenty-five percent (25%) or more (individually or in the aggregate) of any stock or other ownership interest in such entity, and/or any transfer, assignment, hypothecation or encumbrance of any controlling ownership or voting interest in such entity, will be deemed a Transfer and will be subject to all of the restrictions and provisions contained in this Paragraph 12. Notwithstanding the foregoing, Tenant shall have the right to sublet or assign all or a portion of the Premises to any of Tenant's affiliates without Landlord's consent.

12.2 Transfer Notice. If Tenant desires to effect a Transfer, then at least thirty (30) days prior to the date when Tenant desires the Transfer to be effective (the "Transfer Date"), Tenant agrees to give Landlord a notice (the "Transfer Notice"), stating the following: (i) the name, address and business of the proposed assignee, subtenant or other transferee (sometimes referred to hereinafter as "Transferee"); (ii) the nature of the proposed Transferee's business to be

conducted at the Premises; (iii) the terms and provisions of any proposed sublease or assignment (including without limitation the rent and other economic provision, term improvement obligations and commencement date); (iv) reasonable information (including bank and other references) concerning the character, ownership, and financial condition of the proposed Transferee; (v) the Transfer Date; (vi) any ownership or commercial relationship between Tenant and the proposed Transferee; (vii) a written statement by Tenant declaring the proposed Transferee is not an existing tenant or occupant of the Office Building Project, nor a prospective tenant with whom Landlord is then actively negotiating; (viii) a nonrefundable administrative fee of Five Hundred Dollars (\$500.00) due upon submission to Landlord of Tenant's Transfer Notice (whether or not such Transfer is ultimately consummated); and (ix) all other material terms and conditions of the proposed Transfer, all in such detail as Landlord may reasonably require.

12.3 Landlord's Options. Within fifteen (15) days of Landlord's receipt of any Transfer Notice, and any additional information requested by Landlord concerning the proposed Transferee (including the proposed Transferee's financial responsibility) Landlord will notify Tenant of its election to do one of the following: (i) consent to the proposed Transfer subject to such reasonable conditions as Landlord may impose in providing such consent, or (ii) refuse such consent, which refusal shall be on reasonable grounds. Failure to timely deliver Landlord's notification shall not be construed as Landlord's consent.

12.4 Additional Conditions. A condition to Landlord's consent to any Transfer of this Lease will be the delivery to Landlord of a true copy of the fully executed instrument of assignment, sublease, transfer or hypothecation, in form and substance reasonably satisfactory to Landlord. Tenant agrees to pay to Landlord, as additional rent, all sums and other consideration payable to and for the benefit of Tenant by the assignee or subtenant in excess of the rent payable under this Lease for the same period and portion of the Premises. No Transfer will release Tenant of Tenant's obligations under this Lease or alter the primary liability of Tenant to pay the rent and to perform all other obligations to be performed by Tenant hereunder. Landlord may require that any Transferee remit directly to Landlord on a monthly basis, all moneys due Tenant by said Transferee. Consent by Landlord to one Transfer will not be deemed consent to any subsequent Transfer. In the event of default by any Transferee of Tenant or any successor of Tenant in the performance of any of the terms hereof, Landlord may proceed directly against Tenant without the necessity of exhausting remedies against such Transferee or successor. Tenant shall be obligated to pay Landlord's reasonable attorney's fees (including the value of time utilized by in-house counsel calculated at a reasonable hourly rate) associated with the assignment, sublease, transfer or hypothecation of this Lease.

13. Default; Breach; Remedies.

13.1 Default; Breach. A "Default" is defined as a failure by the Tenant to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Tenant to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property

insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Tenant to make any payment of Rent or any Security Deposit required to be made by Tenant hereunder, whether to Landlord or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 5 business days following written notice to Tenant. **THE ACCEPTANCE BY LANDLORD OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LANDLORD'S RIGHTS, INCLUDING LANDLORD'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.**

(c) The failure of Tenant to allow Landlord and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Tenant, where such actions continue for a period of 3 business days following written notice to Tenant.

(d) The failure by Tenant, to the extent required by this Lease, to provide (i) reasonable written evidence of compliance with applicable requirements, (ii) reasonable written evidence of the rescission of an unauthorized assignment or subletting, (iii) an Estoppel Certificate or financial statements, (iv) a requested subordination, (v) any document requested under Paragraph 41, (vi) material data safety sheets (MSDS), or (vii) any other documentation or information which Landlord may reasonably require of Tenant under the terms of this Lease, where any such failure continues for a period of ten (10) days following written notice to Tenant.

(e) A Default by Tenant as to the terms, covenants, conditions or provisions of this Lease that are non-monetary, where such Default continues for a period of thirty (30) days after written notice; provided, however, that if the nature of Tenant's Default is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a Breach if Tenant commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days; provided, however, in the event that any provision of this subparagraph (e) is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Tenant given to Landlord was materially false.

13.2 Remedies. If Tenant fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Landlord may, at its option, perform such duty or obligation on Tenant's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Tenant shall pay to Landlord an amount equal to 115% of the costs and expenses incurred by Landlord in such performance upon receipt of an invoice therefor. In the event of a Breach, Landlord may, with or without further notice or demand, and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of such Breach:

(a) Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession to Landlord.

(b) Continue the Lease and Tenant's right to possession and recover the Rent as it becomes due, in which event Tenant may sublet or assign, subject only to those limitations set forth in Paragraph 12 above. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Landlord's interests, shall not constitute a termination of the Tenant's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Tenant's right to possession shall not relieve Tenant from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Tenant's occupancy of the Premises.

(d) Notwithstanding anything to the contrary, in no circumstances shall the Landlord have the right to require accelerated payment of any amount from the Tenant pursuant to any provision of this Lease that is not then due or in default, or to otherwise declare any such payment immediately due and payable. Consistent with applicable law, the Tenant must annually appropriate sufficient funds to pay the amounts due pursuant to this Lease, and nothing herein shall be construed otherwise; provided that Tenant may be found in breach of this Lease if it fails to so appropriate sufficient funding.


13.2.1 Liquidated Damages Upon Tenant's Breach and Subsequent Termination of Lease by Landlord. IN THE EVENT THE LEASE IS TERMINATED BY LANDLORD AS A RESULT OF TENANT'S BREACH OF THE LEASE, LANDLORD SHALL BE ENTITLED TO RECEIVE AS LIQUIDATED DAMAGES AND AS LANDLORD'S SOLE AND EXCLUSIVE REMEDY FOR TENANT'S BREACH OF THE LEASE, THE SUM OF THE FOLLOWING:

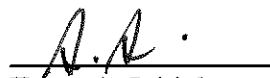
(A) THE UNAMORTIZED PORTION OF LANDLORD PROVIDED TENANT IMPROVEMENTS;

(B) THE UNAMORTIZED PORTION OF ALL LEASING COMMISSIONS PAID BY LANDLORD; AND

(C) IF THE TENANT BREACH OCCURS DURING THE FIRST TEN (10) YEARS OF THE LEASE TERM, A SUM EQUAL TO THREE (3) YEARS OF MONTHLY BASE RENT AT THE RATE THAT WAS IN EFFECT IMMEDIATELY PRIOR TO THE TERMINATION OF THE LEASE. IF THE TENANT BREACH OCCURS DURING YEARS TEN (10) THROUGH TWENTY (20), A SUM EQUAL TO TWO (2) YEARS OF MONTHLY BASE RENT AT THE RATE THAT WAS IN EFFECT IMMEDIATELY PRIOR TO THE TERMINATION OF THE LEASE. IF THE TENANT BREACH OCCURS DURING THE LAST FIVE YEARS OF THE INITIAL TERM OR DURING ANY RENEWAL TERM, A SUM EQUAL TO ONE (1) YEAR OF MONTHLY BASE RENT AT THE RATE THAT WAS IN EFFECT IMMEDIATELY PRIOR TO THE TERMINATION OF THE LEASE.

THE PARTIES AGREE THAT IT WOULD BE IMPRACTICAL AND/OR EXTREMELY DIFFICULT TO ASCERTAIN THE ACTUAL DAMAGES THAT WOULD BE SUFFERED BY LANDLORD AS A RESULT OF ANY SUCH BREACH OF THE LEASE BY TENANT, AND THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT, THE LIQUIDATED DAMAGES PROVIDED FOR IN THIS PARAGRAPH REPRESENT A REASONABLE ESTIMATE OF THE DAMAGES WHICH LANDLORD WILL INCUR AS A RESULT OF ANY SUCH BREACH BY TENANT. THE PAYMENT OF SUCH LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369. THE PARTIES HAVE SET FORTH THEIR INITIALS BELOW TO INDICATE THEIR AGREEMENT WITH THE LIQUIDATED DAMAGES PROVISIONS CONTAINED IN THIS PARAGRAPH.


Landlord's Initials


Tenant's Initials

13.3 Inducement Recapture. Any agreement for free or abated rent or other charges, or for the giving or paying by Landlord to or for Tenant of any cash or other bonus, inducement or consideration for Tenant's entering into this Lease, all of which concessions are hereinafter referred to as "Inducement Provisions," shall be deemed conditioned upon Tenant's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Tenant, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Landlord under such an Inducement Provision shall be immediately due and payable by Tenant to Landlord, notwithstanding any subsequent cure of said Breach by Tenant. The acceptance by Landlord of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Landlord of the provisions of this paragraph unless specifically so stated in writing by Landlord at the time of such acceptance.

13.4 Late Charges. Tenant hereby acknowledges that late payment by Tenant of Rent will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by any Lender. Accordingly, if any Rent shall not be received by Landlord within five (5) days after such amount shall be due, then, without any requirement for notice to Tenant, Tenant shall

immediately pay to Landlord a one-time late charge equal to five percent (5%) of each such overdue amount or one hundred dollars (\$100), whichever is greater. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of such late payment. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for three (3) consecutive installments of Monthly Base Rent, then notwithstanding any provision of this Lease to the contrary, Monthly Base Rent shall, at Landlord's option, become due and payable quarterly in advance.

13.5 Interest. Any monetary payment due Landlord hereunder, other than late charges, not received by Landlord, within ten (10) days after the date when due as to scheduled payments (such as Monthly Base Rent) or within thirty (30) days following the date on which it was due for non-scheduled payment, shall bear interest from the date when due, as to scheduled payments, or the 31st day after it was due as to non-scheduled payments. The interest ("Interest") charged shall be computed at the rate of ten percent (10%) per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.4. Payment of such Interest shall not excuse or cure any default by Tenant under this Lease; provided, however, that Interest shall not be payable on late charges incurred by Tenant.

13.6 Breach by Landlord.

(a) Notice of Breach. Landlord shall not be deemed in breach of this Lease unless Landlord fails within a reasonable time to perform an obligation required to be performed by Landlord. For purposes of this Paragraph, any Lender whose name and address shall have been furnished to Tenant in writing for such purpose, of written notice specifying wherein such obligation of Landlord has not been performed; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are reasonably required for its performance, then Landlord shall not be in breach if performance is commenced within such reasonable time and thereafter diligently pursued to completion.

(b) Performance by Tenant on Behalf of Landlord. In the event that neither Landlord nor Lender cures said breach within thirty (30) days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Tenant may elect to cure said breach at Tenant's expense and offset from Rent the actual and reasonable cost to perform such cure, provided, however, that such offset shall not exceed an amount equal to the greater of one month's Monthly Base Rent or the Security Deposit, reserving Tenant's right to seek reimbursement from Landlord for any such expense in excess of such offset. Tenant shall document the cost of said cure and supply said documentation to Landlord.

14. Condemnation. If the Premises or any portion thereof or the Office Building Project are taken under the power of eminent domain, or sold under the threat of the exercise of said power (all of which are herein called "condemnation"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs; provided that if so much of the Premises or the Office Building Project are taken by such

condemnation as would substantially and adversely affect the operation and profitability of Tenant's business conducted from the Premises, Tenant shall have the option, to be exercised only in writing within thirty (30) days after Landlord shall have given Tenant written notice of such taking (or in the absence of such notice, within thirty (30) days after the condemning authority shall have taken possession), to terminate this Lease as of the date the condemning authority takes such possession. If Tenant does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the rent and Tenant's Share of Operating Expense Increases shall be reduced in the proportion that the floor area of the Premises taken bears to the total floor area of the Premises. Common Areas taken shall be excluded from the Common Areas usable by Tenant and no reduction of rent shall occur with respect thereto or by reason thereof: Landlord shall have the option in its sole discretion to terminate this Lease as of the taking of possession by the condemning authority, by giving written notice to Tenant of such election within thirty (30) days after receipt of notice of a taking by condemnation of any part of the Premises or the Office Building Project. Any award for the taking of all or any part of the Premises or the Office Building Project under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Landlord, whether such award shall be made as compensation for diminution in value of the leasehold or for the taking of the fee, or as severance damages; provided however, that Tenant shall be entitled to any separate award for loss of or damage to Tenant's trade fixtures, removable personal property and unamortized tenant improvements that have been paid for by Tenant. For that purpose the cost of such improvements shall be amortized over the Initial Term of this Lease excluding any options. In the event that this Lease is not terminated by reason of such condemnation, Landlord shall to the extent of severance damages received by Landlord in connection with such condemnation, repair any damage to the Premises caused by such condemnation except to the extent that Tenant has been reimbursed therefor by the condemning authority. Tenant shall pay any amount in excess of such severance damages required to complete such repair.

15. Broker's Fee.

(a) The parties acknowledge that the only broker(s) who negotiated this Lease are stated in subparagraph 1.10. Landlord and Tenant each agree to promptly indemnify, protect, defend and hold harmless the other from and against any and all claims, damages, judgments, suits, causes of action, losses, liabilities, penalties, fines, expenses and costs (including attorneys' fees and court costs at trial and upon appeal, if any) resulting from any breach by the indemnifying party of the foregoing representation, including, without limitation, any claims that may be asserted by any broker, agent or finder undisclosed by the indemnifying party. The foregoing mutual indemnity shall survive the expiration or earlier termination of this Lease. Tenant agrees that Landlord will not recognize or compensate any third party broker with regards to any renewals and/or expansions unless such renewal or expansion rights are included within this Lease at the time of execution by the parties and in Landlord's commission agreement with the broker(s) specified in subparagraph 1.10.

(b) Tenant and Landlord each represent and warrant to the other that neither has had any dealings with any person, firm, broker or finder (other than the person(s) or firms, if any, whose names are set forth in Paragraph 1.10 or 15(a), in connection with the negotiation of this Lease

and/or the consummation of the transaction contemplated hereby, and no other broker or other person, firm or entity is entitled to any commission or finder's fee in connection with said transaction and Tenant and Landlord do each hereby indemnify and hold the other harmless from and against any costs, expenses, attorneys' fees or liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying party.

16. Estoppel Certificate.

(a) Tenant shall at any time upon not less than fifteen (15) day's prior written notice from Landlord, execute, acknowledge and deliver to Landlord an estoppel certificate substantially similar to that contained in Exhibit "E" attached hereto ("Estoppel"). All Tenant Estoppels delivered to Landlord may be conclusively relied upon by any prospective purchaser or encumbrancer of the Office Building Project.

(b) At Landlord's option, Tenant's failure to deliver said Estoppel within such time shall be a material default of this Lease by Tenant, without any further notice, or it shall be conclusive upon Tenant that: (i) this Lease is in full force and effect, without modification except as may be represented by Landlord; (ii) there are no uncured defaults in Landlord's performance, and (iii) not more than one month's rent has been paid in advance.

(c) If Landlord desires to finance, refinance, or sell the Office Building Project, or any part thereof, Tenant hereby agrees to deliver to any lender or purchaser designated by Landlord such financial statements of Tenant as may be reasonably required by such lender or purchaser. Such statements shall include the past three (3) years' financial statements of Tenant. All such financial statements shall be received by Landlord and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. Landlord and Landlord Liability Defined.

17.1 Landlord Defined. The term "Landlord," as used in this Lease, so far as covenants or obligations on the part of Landlord are concerned, means and includes only the owner or owners, at the time in question, of the fee title of the Premises. In the event of any transfer, assignment or other conveyance or transfers of any such title (other than a transfer for security purposes only), Landlord herein named (and in case of any subsequent transfers or conveyances, the then grantor) will be automatically relieved from and after the date of such transfer, assignment or conveyance of all liability as respects the performance of any covenants or obligations on the part of Landlord contained in this Lease thereafter to be performed, so long as the transferee assumes in writing all such covenants and obligations of Landlord arising after the date of such transfer. Landlord and Landlord's transferees and assignees have the absolute right to transfer all or any portion of their respective title and interest in the Office Building Project, the Building, the Premises and or this Lease without the consent of Tenant, and such transfer or subsequent transfer will not be deemed a violation on Landlord's part of any of the terms and conditions of this Lease.

17.2 Landlord Liability. Notwithstanding anything in this Lease to the contrary, and in consideration of the benefits accruing hereunder to Tenant, Tenant on behalf of itself and all successors and assigns of Tenant covenants and agrees that, in the event of any actual or alleged failure, breach, claim, damage, cause of action or obligation or default hereunder by Landlord: (a) Tenant's recourse against Landlord for monetary damages will be limited to Landlord's interest in the Building including, subject to the prior rights of any Mortgagee, Landlord's interest in the rents of the Building and any insurance proceeds payable to Landlord; (b) except as may be necessary to secure jurisdiction of a partnership or limited liability company, no partner, investor, trustee, director, officer, employee, agent, shareholder, advisor, manager, or member of Landlord (collectively referred to as "Landlord Party") shall be sued or named as a party in any suit or action and no service of process shall be made against any Landlord Party; (c) no Landlord Party shall be required to answer or otherwise plead to any service of process; (d) no judgment will be taken against any Landlord Party and any judgment taken against any Landlord Party may be vacated and set aside at any time after the fact; (e) no writ of execution will be levied against the assets of any Landlord Party; (f) the obligations under this Lease do not constitute personal obligations of the individual Landlord Party, and Tenant shall not seek recourse against the individual Landlord Party or any of their personal assets for satisfaction of any liability in respect to this Lease; and (g) these covenants and agreements are enforceable both by Landlord and also by any Landlord Party.

18. Severability. The invalidity of any provision of this Lease as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

19. Intentionally Omitted.

20. Time of Essence. Time is of the essence with respect to the obligations to be performed under this Lease.

21. Additional Rent. All monetary obligations of Tenant to Landlord under the terms of this Lease, including but not limited to Tenant's Share of Operating Expense Increases, Late Charges, NSF or other bank fees, document preparation fees, and any other expenses payable by Tenant hereunder shall be deemed to be rent.

22. Incorporation of Agreement; Amendments. This Lease contains all agreements of the parties with respect to any matter mentioned herein. No prior or contemporaneous agreement or understanding pertaining to any such matter shall be effective. This Lease may be modified in writing only signed by the parties in interest at the time of the modification.

23. Notices. Any notice required or permitted hereunder including, without limitation, service of notices, requests, change of mailing addresses, demands, consent or approval shall be given or served upon the party to whom it is directed in writing and may be delivered personally, by an overnight courier service with signed proof of receipt, or forwarded by certified mail, postage prepaid, return receipt requested addressed to the appropriate parties as stated in Paragraphs 1.12 and 1.13. Any such communication shall be deemed to have been duly given or served (i) on the date personally delivered or delivered by courier service, or (ii) if delivered by mail as provided

above, on the third business day after mailing. Either party may change its address for notice by written notice given to the other in the manner hereinabove provided.

24. Intentionally Omitted.

25. Recording. Landlord may, in its sole and absolute discretion, record a memorandum of the Lease without the consent of Tenant. Tenant may not record a memorandum of Lease without Landlord's prior written consent.

26. Holding Over. If Tenant fails to surrender possession of the Premises or any part thereof after the expiration of the Lease Term hereof, such occupancy shall be a tenancy from month-to-month terminable by either party upon thirty (30) days written notice to the other, and shall be subject to all the provisions of this Lease pertaining to the obligations of Tenant, except that the rent payable shall be two hundred percent (200%) of the rent payable immediately preceding the termination date of this Lease. All Renewal Options, if any, granted under the terms of this Lease shall be deemed terminated and be of no further effect during said month to month tenancy. Acceptance of rent by Landlord from Tenant during said holding over period shall not constitute Landlord's consent to Tenant's holding over or month-to-month tenancy. Tenant shall promptly indemnify and hold Landlord and Landlord's Indemnified Parties harmless from all loss or liability, including without limitation, any claims made by any succeeding tenant relating to failure to surrender possession of the Premises.

27. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. Covenant and Conditions. Each provision of this Lease performable by Landlord and Tenant shall be deemed both a covenant and a condition.

29. Binding Effect; Choice of Law. This Lease shall be governed by and construed in accordance with the domestic laws of the State of California applicable to agreements executed and to be fully performed therein without giving effect to any choice of law provision or rule (whether of the State of California or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of California. The parties hereto irrevocably submit to the jurisdiction of Superior Court of the State of California located in Riverside County, and waive any rights to object to or challenge the appropriateness of said forum. Service of process shall be in accordance with the laws of the State of California. The parties hereto agree to resolve and settle any disputes relating to this Lease through mediation and arbitration pursuant to Paragraph 39 (Conflict Resolution).

30. Subordination.

(a) This Lease, and any option or right of first refusal granted hereby if any, shall without the necessity of any additional document being executed by Tenant for the purpose of effecting a subordination, and at the election of Landlord or any mortgagee or beneficiary with a deed of trust encumbering the Premises and/or the Office Building Project, or any Landlord of a ground or underlying lease with respect to the Building, be subject and subordinate at all times to: (i) all ground leases or underlying leases which may now exist or hereafter be executed affecting the

Building; and (ii) the lien of any mortgage or deed of trust, or any other hypothecation or security which may now exist or hereafter be executed for which the Premises, the Office Building Project, or any leases thereof, or Landlord's interest and estate in any of said items specified as security, and to any and all advances made on the security thereof and to all renewals, modifications, consolidations, replacements and extensions thereof. Notwithstanding the foregoing, Landlord reserves the exclusive right to subordinate any such ground leases or underlying leases or any such liens to this Lease. If any such ground lease or underlying lease terminates for any reason or any such mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, at the election of Landlord's successor in interest, Tenant agrees to attorn to and become the tenant of such successor in which event Tenant's right to possession of the Premises will not be disturbed as long as Tenant is not in default under this Lease. Tenant hereby waives its rights under any law which gives or purports to give Tenant any right to terminate or otherwise adversely affect this Lease and the obligations of Tenant hereunder in the event of any such foreclosure proceeding or sale.

(b) Tenant covenants and agrees to execute and deliver, upon demand by Landlord, any document (including for example, a Subordination, Non-Disturbance and Attornment (SNDA) in the form as may be required by any mortgagee or beneficiary of a deed of trust encumbering the Premises and/or Office Building Project) evidencing the priority or subordination of this Lease and Tenant's attornment with respect to any such ground lease, underlying leases, or the lien of any such mortgage or deed of trust. Tenant's failure to execute such documents within ten (10) days after written demand shall constitute a material default by Tenant hereunder without further notice to Tenant.

31. Professional Fees and Costs. Any expenses of any nature incurred by Landlord in connection with any performance by it for the account of Tenant, and all costs and expenses, including reasonable attorneys' fees (whether or not legal proceedings are instituted) involved in collecting monies due under this Lease and enforcing the obligations of Tenant under this Lease, including but not limited to the cost and expense of instituting and prosecuting legal proceedings or recovering possession of the Premises after default by Tenant or upon expiration or sooner termination of this Lease (whether in the State Courts or in the United States Bankruptcy Court), shall be due and payable by Tenant, on demand, as Additional Rent. Additionally, and without any limitation by any of the foregoing, in the event that either Landlord or Tenant shall institute any action or proceeding (whether in the State Courts or in the United States Bankruptcy Court) and whether at trial or on appeal against the other relating to the provisions of this Lease, or any default hereunder, the unsuccessful party in such action or proceeding agrees to pay to the successful party the reasonable attorneys' fees and costs incurred therein by the successful party. Tenant agrees to pay a minimum fee of \$150.00 for the preparation of any demand for delinquent rent or other amounts due under this Lease, or any notice to pay rent or quit.

32. Landlord's Access.

32.1 Landlord and Landlord's agents shall have the right to enter the Premises at reasonable times for the purpose of inspecting the same, performing any services required of Landlord, showing the same to prospective purchasers, lenders or Tenants, taking such safety measures, erecting such scaffolding or other necessary structures, making such alterations, repairs, improvements or additions to the Premises or to the Office Building Project as Landlord may

deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises. Landlord may at any time place on or about the Premises or the Building any ordinary "For Sale" signs and/or banners. Additionally, Landlord may at any time during the Lease Term, place on or about the Premises any ordinary "For Lease" signs and/or banners.

32.2 All activities of Landlord pursuant to this paragraph shall be without abatement of rent, nor shall Landlord have any liability to Tenant for the same.

32.3 Landlord shall have the right to retain keys to the Premises and to unlock all doors in or upon the Premises other than to files, vaults and safes. Landlord shall additionally have the right to enter the Premises by any reasonably appropriate means in cases of emergency or general inspection, and any such entry shall not be deemed a forcible or unlawful entry or detainer to the Premises or an eviction. Landlord acknowledges that the Tenant is a public agency that maintains confidential information regarding its students and others. Notwithstanding anything to the contrary, at any time that they are present within the Premises for any purpose, neither the Landlord nor any of its employees, agents or contractors shall access, view, duplicate, or disseminate any such confidential information, regardless of whether the information is in plain view and/or unattended. Except for liabilities arising from the unauthorized accessing, viewing, duplicating or disseminating of such confidential information, the Tenant waives any charges for damages or injuries or interference with Tenant's property or business in connection with the access to the Premises by the Landlord or its employees, agents or contractors pursuant to this Section 32.

33. Intentionally Omitted.

34. Signage. Tenant shall be provided with an area on the Building directory and sign identity placard at Tenant's entry to the Premises. Landlord shall be responsible for the initial cost associated with Directory and Suite Identity signage. Tenant shall have the right, at Landlord's sole cost and expense, to install exterior signage in compliance with applicable building code and the Tenant Sign Criteria attached hereto as Exhibit "G." In addition, Tenant shall be entitled to "major tenant" space on the KPC Summit freeway pylon sign (currently in design phase and soon to be constructed), and Landlord shall bear the cost of such pylon signage for the benefit of Tenant.

35. Merger. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof or, a termination by Landlord, shall not work a merger, and shall, at the option of Landlord, terminate all or any existing sub tenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such sub tenancies.

36. Counterparts. This Lease may be executed in counterparts, each of which shall be deemed to be an original. Such counterparts, when taken together, shall constitute but one Agreement. Fax and/or e-mailed PDF signatures shall have the same force and effect as original signatures.

37. Guarantor. In the event that there is a guarantor of this Lease, said guarantor shall have the same obligations as Tenant under this Lease.

38. Quiet Possession. Upon Tenant paying the rent for the Premises and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the entire term hereof subject to all of the provisions of this Lease. The individuals executing this Lease on behalf of Landlord represent and warrant to Tenant that they are fully authorized and legally capable of executing this Lease on behalf of Landlord and that such execution is binding upon all parties holding an ownership interest in the Office Building Project.

39. Conflict Resolution. If a dispute arises from or relates to this contract or the breach thereof, and if the dispute cannot be settled through direct discussions, the parties agree that all disputes under this Agreement shall be resolved by arbitration in accordance with the Judicial Arbitration and Mediation Service Comprehensive Arbitration Rules and Procedures before the Judicial Arbitration and Mediation Services ("JAMS"). The arbitration shall be held in Riverside County, California (or any place agreed to by the parties and the arbitrator). The decision of the arbitrator shall be final and binding as to any matters submitted hereunder; provided, however, the arbitrator shall not have the power to commit errors of law or legal reasoning, and the arbitration award shall be vacated or corrected by a court of competent jurisdiction for any such error. The Superior Court for the County of Riverside shall have jurisdiction for the purpose of compelling arbitration, awarding provisional or equitable relief, confirming the award of the arbitrator, enforcing judgment and similar matters. Notwithstanding the applicable rules of JAMS to the contrary, each party will have all of the rights of discovery pertaining to civil litigation as provided in the California Code of Civil Procedure. Unless the parties otherwise agree in writing, any arbitration hereunder will be conducted in accordance with the rules of evidence existing in the State of California at the time of the arbitration. Each party will bear its own costs and fees incurred therein.

40. Security Measures-Landlord's Reservations.

40.1 Tenant hereby acknowledges that Landlord shall have no obligation whatsoever to provide guard service or other security measures for the benefit of the Premises, the Office Building Project, or Tenant Parties. Tenant assumes all responsibility for the protection of Tenant Parties and the property of Tenant from acts of other Tenant Parties and other third parties. Nothing contained herein shall prevent Landlord, at Landlord's sole option, from providing security protection for the Office Building project or any part thereof, in which event the cost thereof shall be included within the definition of Operating Expenses, as set forth in Paragraph 4.3(e).

40.2 Landlord shall have the following rights:

(a) To change the name, address or title of the Office Building Project or building in which the Premises are located at any time at Landlord's sole and absolute discretion.

(b) To, at Tenant's expense, provide and install Building standard graphics on the door of the Premises and such portions of the Common Areas as Landlord shall reasonably deem appropriate;

(c) To permit any Tenant the exclusive right to conduct any business as long as such exclusive does not conflict with any rights expressly given herein;

(d) To place such signs (including "For Sale" and "For Lease" signs), notices or displays as Landlord reasonably deems necessary or advisable upon the roof, exterior of the buildings or the Office Building Project, on the exterior portion of the Premises, or on pole signs in the Common Areas;

40.3 Tenant shall not:

(a) Use a representation (photographic or otherwise) of the Building or the Office Building Project or their name(s) in connection with Tenant's business;

(b) Suffer or permit anyone, to go upon or access the roof of the Building.

41. Easements.

41.1 Landlord reserves to itself the right, from time to time, to grant such easements, rights and dedications that Landlord deems necessary or desirable, and to cause the recordation of Parcel Maps and restrictions, so long as such easements, rights, dedications, Maps and restrictions do not unreasonably interfere with the use of the Premises by Tenant. Tenant shall sign any of the aforementioned documents upon request of Landlord and failure to do so shall constitute a material default of this Tenant without the need for further notice to Tenant.

41.2 The obstruction of Tenant's view, air, or light by any structure erected in the vicinity of the Building, whether by Landlord or third parties, shall in no way affect this Lease or impose any liability upon Landlord.

42. Authority. If Tenant is a corporation, each individual executing this Lease on behalf of Tenant represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of Tenant and shall deliver appropriate certification and corporate resolution to that effect. If Tenant is a partnership, limited liability company, joint venture, or other unincorporated association, each individual executing this Lease on behalf of Tenant represents that this Lease is binding on Tenant. Furthermore Tenant agrees that the execution of any written consent hereunder, or of any written modification or termination of this Lease, by any general partner of Tenant or any other authorized agent of Tenant, shall be binding on Tenant.

43. No Offer. Preparation of this Lease by Landlord or Landlord's agent and submission of same to Tenant shall not be deemed an offer to Tenant to lease. This Lease shall become binding upon Landlord and Tenant only when fully executed by both parties.

44. Lender Modification. Tenant agrees to make such reasonable modifications to this Lease as may be reasonably required by an institutional lender in connection with the obtaining of normal financing or refinancing of the Office Building Project.

45. Multiple Parties. If more than one person or entity is named Tenant herein, except as otherwise expressly provided herein, the obligations of the Tenant herein shall be the joint and several responsibility of all persons or entities named herein as Tenant.

46. Intentionally Omitted.

47. Attachments. The Exhibits listed in Paragraph 1.16 above are attached hereto and incorporated herein by this reference as though fully set forth and incorporated herein.

48. Intentionally Omitted.

49. Alterations and Additions. Without limiting the provisions contained in Paragraph 7.3 above, in the event that Tenant desires to make any modification to the interior or exterior of the Premises after the initial tenant improvements have been installed, Tenant shall submit to Landlord prior to commencement of construction, for review and approval by Landlord, plans for any such modifications, along with an architectural review fee of Two Hundred Fifty Dollars (\$250.00). Landlord shall have no liability for the inaccuracy, inadequacy or lack of safety features of such plans and shall have no duty to review such plans at all.

50. Toxic or Hazardous Substances.

50.1 Use of Toxic or Hazardous Substances: Tenant shall not use, store or permit toxic waste or other toxic or Hazardous Substances (as defined in Paragraph 50.2 below) or material on the Premises during the Lease Term, without the prior written consent of Landlord which may be granted or withheld in Landlord's sole and absolute discretion. In the event Tenant desires to use or store toxic or Hazardous Substances on the Premises (including but not limited to petroleum based fuels), Tenant shall request such use in an application to Landlord which shall explain in detail the types of chemicals/substances which Tenant desires to use, the proposed location and manner of storage of same and the manner of disposition of such chemicals/substances or by-products or remains thereof. Tenant shall deliver to Landlord copies of all studies, reports and other information submitted by Tenant to any governmental entity or agency regulating the use of such substances and materials, concurrently with the delivery of same to such governmental agency or entity. In no event shall Tenant store any chemicals/substances in underground tanks. The chemicals/substances proposed to be used by Tenant within the Premises shall be properly labeled. In the event that any such wastes, substances or materials are hereinafter found on, under or about the Premises except as expressly allowed by Landlord, Tenant shall take all necessary and appropriate actions and shall spend all necessary sums to cause the same to be cleaned up and immediately removed from the Premises, and Landlord shall in no event be liable or responsible for any costs or expenses incurred in so doing. Tenant shall at all times observe and satisfy the requirements of, and maintain the Premises in compliance with, all federal, state and local environmental protection, occupational, health and safety and similar laws, ordinances, restrictions, licenses and regulations, including but not limited to, the Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.), Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.), Safe Drinking Water Act (42 U.S.C. Section 3000 (f) et seq.), Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.), Clean Air Act (42 U.S.C. Section 7401 et seq.), Comprehensive Environmental

Response of Compensation and Liability Act (42 U.S.C. Section 9601 et seq.), California Health and Safety Code (Section 25100 et seq., Section 39000 et seq.), California Water Code (Section 13000 et seq.). Should Tenant at any time receive any notice of violation of any laws, including those aforementioned, or be given a citation with respect thereto, Tenant shall (i) immediately notify Landlord of such violation or citation, (ii) provide Landlord with a copy of same, (iii) cure the deficiency set forth in the violation or citation within fifteen (15) days after the date of receipt thereof and (iv) immediately provide Landlord with proof of the curing of such deficiency or complained of matter. Should Tenant at any time default in or fail to perform or observe any of its obligations under this Paragraph 50, Landlord shall have the right, but not the duty, without limitation upon any of the Landlord's rights pursuant hereto, to perform the same, and Tenant agrees to pay to Landlord on demand, all costs and expenses reasonably incurred by Landlord in connection therewith, including without limitation, attorneys' fees, together with interest from the date of expenditure at the highest rate allowed by law. Tenant hereby indemnifies Landlord and agrees to defend with counsel reasonably acceptable to Landlord and hold Landlord harmless for any loss incurred by or liability imposed on Landlord by reason of Tenant's failure to perform or observe any of its obligations or agreements under this Paragraph 50, including but not limited to any damage, liability, fine, penalty, punitive damage, cost or expense (including sickness, disease or death), tangible or intangible property damage, compensation for lost wages, business income, profits, or other economic loss, damage to the natural resources or the environment, nuisance, pollution, contamination, leak, spill, release or other adverse effect on the environment. Landlord may enter the Premises as provided in Paragraph 32.1 of this Lease for the purpose of ascertaining compliance by Tenant with the requirements of this Paragraph 50.

50.2 Hazardous Substances Defined: As used herein, the term "Hazardous Substance(s)" shall include:

(a) Federal Law. All of those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances," or "solid waste" in (a) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et seq. ("CERCLA"), as amended, (b) the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq. ("RCRA"), and (c) the Hazardous Materials Transportation Act, 49 U.S.C. Appx. Section 1801, et seq., and in the regulations promulgated pursuant to said laws or any amendment thereto or replacement thereof;

(b) Federal Regulations. All of those substances listed in the United States Department of Transportation Table (49 CFR 172.101 and amendments thereto) or by the Environmental Protection Agency (40 CFR Part 302 and amendments thereto) as hazardous substances;

(c) California Law. All of those substances defined as "hazardous wastes" in Sections 25100 et seq. of the California Health & Safety Code, or as "hazardous substances" in Sections 25316 and 25281 of the California Health & Safety Code or Section 736(f)(3) of the Code of Civil Procedure, or as "waste," "pollution," or "contamination" in Section 13000 et seq. of the California Water Code, and in the regulations promulgated pursuant to said laws or any replacement thereof; and

(d) Other Laws and Regulations. All other substances, materials and wastes which are, or in the future, become regulated under applicable local, state or federal law, or which are classified as hazardous or toxic under federal, state, or local laws or regulations, or classified or identified as posing a threat to human health or the environment, including without limitation federal laws and regulations and California law set forth above, and any radioactive wastes or substances.

50.3 Indemnity. Landlord agrees to indemnify, defend, protect and hold harmless Tenant from and against any liability, obligation, damage or costs, including, without limitation, reasonable attorneys' fees and costs, resulting directly or indirectly from any use, presence, removal or disposal of any Hazardous Substances, to the extent such liability, obligation, damage or costs was a result of actions caused or knowingly permitted by Landlord. Tenant agrees to indemnify, defend, protect and hold harmless Landlord from and against any liability, obligation, damage or costs, including without limitation, reasonable attorneys' fees and costs, resulting directly or indirectly from any use, presence, removal or disposal of any Hazardous Substances or breach of any provision of this section, to the extent such liability, obligation, damage or costs was a result of actions caused or knowingly permitted by Tenant.

51. Intentionally Omitted.

52. Sale of Office Building Project by Landlord. In the event of any sale of the Office Building Project by Landlord, Landlord shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Lease arising out of any act, occurrence or omission occurring after the consummation of such sale; and the purchaser, at such sale or any subsequent sale of the Office Building Project, shall be deemed, without any further agreement between the parties or their successors in interest or between the parties and any such purchaser, to have assumed and agreed to carry out any and all of the covenants and obligations of Landlord under this Lease.

52.1 Tenant's Right of First Refusal with Respect to Proposed Sale of the Office Building Project. In the event Landlord decides to sell the Office Building Project at any time after the first ten (10) years of the Lease Term but before the Expiration Date of the Lease (including any Renewal Term(s)), Landlord shall notify Tenant in writing of the terms on which Landlord is willing to sell the Office Building Project (the "Proposed Sale Notice"). Tenant shall have the option, provided that Tenant is not then in Breach of this Lease, for a period of thirty (30) calendar days after receiving the Proposed Sale Notice, to purchase the Office Building Project on the same terms as provided in the Proposed Sale Notice. Should Tenant fail to exercise the option to purchase the Office Building Project within such 30-day option period, Landlord shall have the right to sell the Office Building Project to a third party on the same terms as stated in the Proposed Sale Notice. If Landlord has not closed a sale of the Office Building Project within six (6) months after Tenant's receipt of the Proposed Sale Notice, then Tenant's right of first refusal shall be reinstated.

53. Tenant's Performance Before Commencement. In the event Tenant abandons or fails to occupy the Premises and pay rent by the commencement of the term of this Lease, it is expressly agreed by and between Landlord and Tenant that the amount of damage to Landlord as a result of that default and the termination of this Lease under this provision is difficult to calculate, and

that Landlord, in addition to its other rights or remedies provided in Paragraph 13 and not as liquidated damages or by way of forfeiture, shall be entitled to retain, at Landlord's option, such improvements as Tenant may have affixed to the property that cannot be removed without damage thereto.

54. Marginal Captions. The various headings and numbers herein and the grouping of the provisions of this Lease into separate sections and paragraphs are for the purpose of convenience only and shall not be considered a part hereof.

55. Waiver. The waiver by either party of any breach of any term, covenant or condition herein contained will not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained, nor will any custom or practice which may develop between the parties in the administration of the terms hereof be deemed a waiver of or in any way affect the right of either party to insist upon performance in strict accordance with said terms. The subsequent acceptance of rent or any other payment hereunder by Landlord will not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. No acceptance by Landlord of a lesser sum than the basic rent and additional rent or other sum then due will be deemed to be other than on account of the earliest installment of such rent or other amount due, nor will any endorsement or statement on any check or any letter accompanying any check be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such installment or other amount or pursue any other remedy provided in this Lease. The consent or approval of Landlord to or of any act by Tenant requiring Landlord's consent or approval will not be deemed to waive or render unnecessary Landlord's consent or approval to or of any subsequent similar acts by Tenant.

56. Intentionally Omitted.

57. No Oral Agreement. This Lease covers in full each and every agreement of every kind or nature whatsoever between the parties and their respective agents and representatives hereto concerning this lease, and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein, and there are no oral agreements or implied covenants. Landlord specifically does not warrant that any other occupancy, present or future, in the Office Building Project of which the Premises are a part, shall remain an occupant during the term of this lease.

58. Nondisclosure of Lease Terms. Tenant acknowledges and agrees that the terms of this Lease are confidential and constitute proprietary information of Landlord. Disclosure of the terms could adversely affect the ability of Landlord to negotiate other leases and impair Landlord's relationship with other tenants. Accordingly, Tenant, Tenant's partners, managers, members, officers, directors, employees, agents and attorneys agree they shall not intentionally and voluntarily disclose the terms and conditions of this Lease to any newspaper or other publication or any other tenant or apparent prospective tenant of the Building or other portion of the Office Building Project, or real estate agent, either directly or indirectly, without the prior written consent of Landlord, provided, however, that Tenant may disclose the terms to

prospective subtenants or assignees under this Lease or as required by applicable law.

59. Americans with Disabilities Act. Landlord agrees to be responsible for and shall pay all remedial costs associated with, and shall use commercially reasonable diligence in complying with, the Americans with Disabilities act ("ADA"), as it relates to the Common Areas of the Building only, based solely on requirements existing and imposed on Landlord as of the Commencement Date. Any changes, modifications, rehabilitation or repair to the Common Area required by any amendment to ADA or any regulations thereunder which are enacted or become effective after the Commencement Date, shall be Landlord's responsibility, but the cost thereof shall be an Operating Expense for purposes of this Lease. Notwithstanding anything contained herein to the contrary, Landlord shall have no duty, obligation or responsibility, nor shall Landlord be obligated to expend any moneys over and above the work specified in the Work Letter to make the Premises comply with any requirements of ADA or any other similar laws, including life-fire safety codes, physical handicap codes and/or earthquake safety codes. Landlord is unaware of any inspection being performed by a Certified Access Specialist, and is unaware of any reports from a Certified Access Specialist.

60. Joint Drafting. This Lease shall not be construed in favor of or against either party, but shall be construed as if both parties prepared this Lease. Landlord and Tenant acknowledge that they have been represented, or have had the opportunity to be represented, by counsel of their own choice. Neither Landlord nor Tenant is relying upon any legal advice from the other party's counsel regarding the subject matter hereof. Both parties acknowledge that they understand the terms and conditions of this Lease and the terms and conditions of all other documents and agreements executed in connection herewith and that they sign the same freely. Neither Landlord nor Tenant shall deny the enforceability of any provision of this Lease or any of the other documents or agreements executed in connection herewith on the basis that it did not have legal counsel or that it did not understand any such term or condition. This Lease and any ambiguities or uncertainties contained in this Lease shall be equally and fairly interpreted for the benefit of and against all parties to this Lease and shall further be construed and interpreted without reference to the identity of the party or parties preparing this document, it being expressly understood and agreed that the parties hereto participated equally in the negotiation and preparation of this Lease or have had equal opportunity to do so. Accordingly, the parties hereby waive the legal effect of California Civil Code Section 1654 or any successor and/or amended statute which in part states that in cases of uncertainty, the language of the contract should be interpreted most strongly against the party who caused the uncertainty to exist. The captions used herein are for convenience only and are not a part of this Lease and do not in any way limit or amplify the terms and provisions hereof.

61. Intentionally Omitted.

62. Further Assurances. Each of the parties hereto shall execute such documents and perform such further acts (including obtaining any consents, exemptions, authorizations, or other actions by, or giving any notice to, or making any filings with, any governmental authority or any other person) as may be reasonably required or desirable to carry out or to perform the provisions of this Lease.

63. Tenant's Right of First Refusal with Respect to Remaining Space. Tenant acknowledges that as of the execution date of this Lease, that portion of the Building (approximately 8,200 Rentable Square Feet) that is not part of the Premises (the "Remaining Space") is leased to an affiliate of Landlord pursuant to a lease agreement (the "Affiliate Lease"). Upon the expiration or early termination of the Affiliate Lease, Landlord shall notify Tenant in writing of the terms on which Landlord is willing to lease the Remaining Space (the "Vacancy Notice"). Tenant shall have the option, provided that Tenant is not then in Breach of this Lease, for a period of fifteen (15) calendar days after receiving the Vacancy Notice, to lease the Remaining Space on the same terms as provided in the Vacancy Notice (or on such other terms mutually agreed upon by Landlord and Tenant). Should Tenant fail to exercise the option to lease the Remaining Space within such 15-day option period, Landlord shall have the right to lease the Remaining Space to a third party. Notwithstanding anything to the contrary contained in this Paragraph 63, Tenant's right of first refusal with respect to the Remaining Space is only applicable upon the expiration or early termination of the Affiliate Lease, and that nothing herein shall affect any rights of the tenant under the Affiliate Lease to assign its rights under the Affiliate Lease or sublet the Remaining Space or other similar rights as may be permitted under the Affiliate Lease.

[SIGNATURE PAGE FOLLOWS]

LANDLORD AND TENANT HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN AND, BY THE EXECUTION OF THIS LEASE, SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LANDLORD AND TENANT WITH RESPECT TO THE PREMISES.

Dated: 5/21/2014

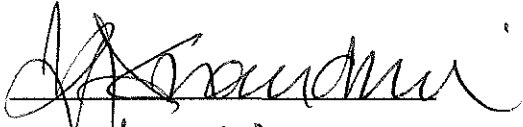
Dated: 5/19/2014


LANDLORD:

TENANT:

KPC Summit, LLC,
a California limited liability company

Alvord Unified School District

By: 
Print Name: Kati P. Chandhuri

By: 
Print Name: Sid Salazar

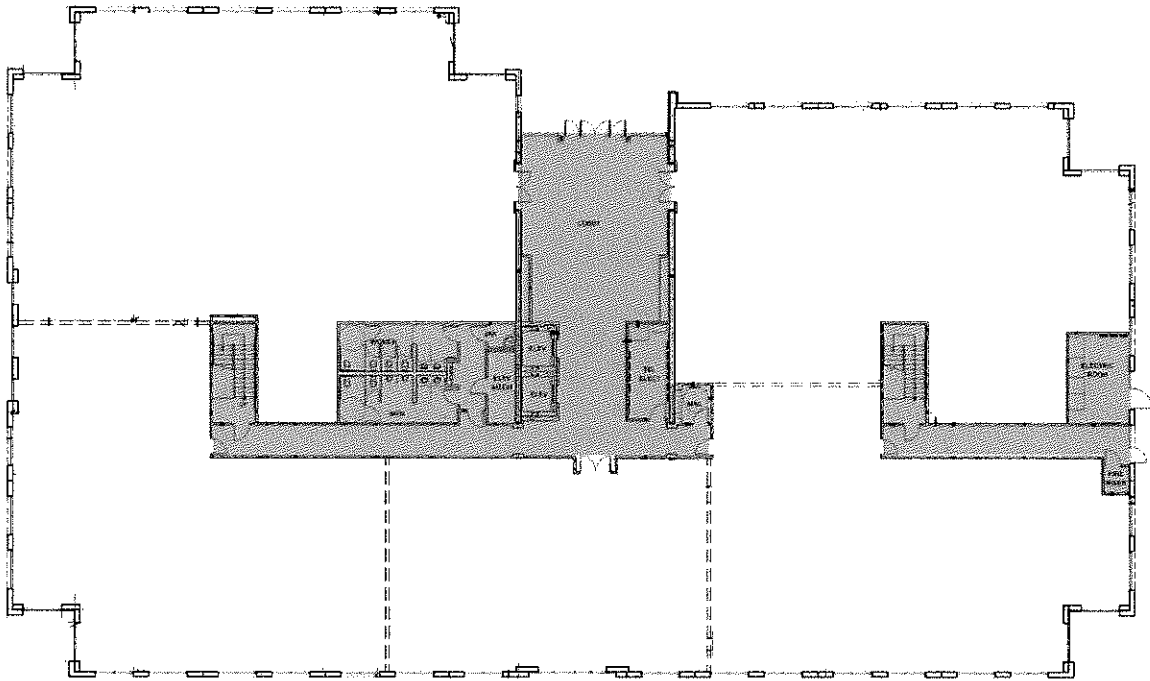
Title: manager

Title: Superintendent

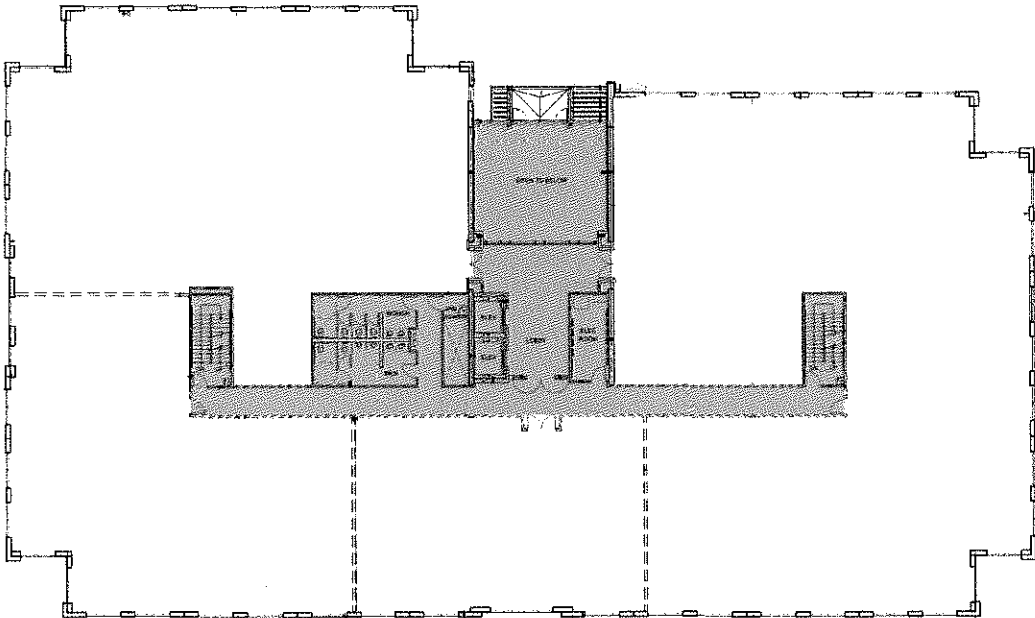
**EXHIBIT A
THE PREMISES**

**2375 Anselmo Drive
Corona, CA 92879**

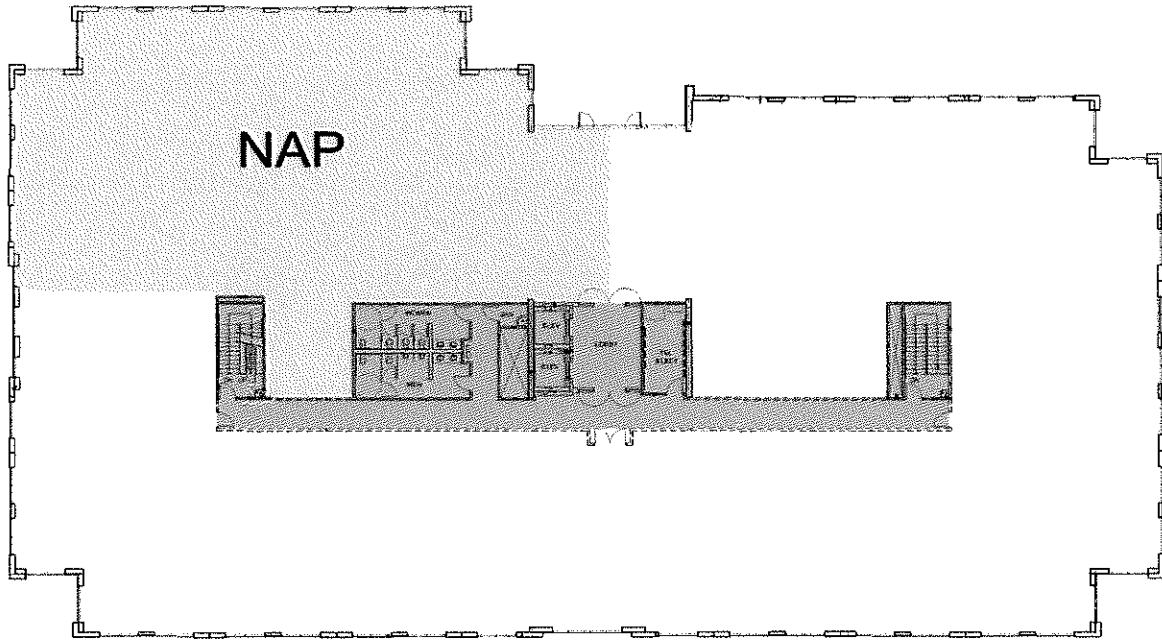
First Floor



Second Floor



**Third
Floor**



**EXHIBIT B
WORK LETTER**

Alvord Unified School District

This Work Letter shall set forth the terms and conditions relating to the construction of the tenant improvements in the Premises. This Work Letter is essentially organized chronologically and addresses the issues of the construction of the Premises, in sequence, as such issues will arise.

SECTION 1
CONSTRUCTION DRAWINGS FOR THE PREMISES

Landlord shall construct the improvements in the Premises (the "**Improvements**") pursuant to that certain **Space Plan Dated**_____ (collectively, the "**Space Plans**"). Unless specifically noted to the contrary on the Space Plans, the Improvements shall be constructed using Office Building Project-standard quantities, specifications and materials as determined by Landlord, and as specified on the Landlord's most recent **Finish Schedule**. Based upon the Space Plans, Landlord shall cause the Architect to prepare detailed plans and specifications for the Improvements ("**Working Drawings**"). Landlord shall then forward the Working Drawings to Tenant for Tenant's approval. Tenant shall approve or reasonably disapprove any draft of the Working Drawings within five (5) business days after Tenant's receipt thereof; provided, however, that (i) Tenant shall not be entitled to disapprove any portion, component or aspect of the Working Drawings which are consistent with the Space Plans unless Tenant agrees to pay for the additional cost resulting from such change in the Space Plans as part of the Over-Allowance Amount pursuant to Section 2 below, and (ii) any disapproval of the Working Drawings by Tenant shall be accompanied by a detailed written explanation of the reasons for Tenant's disapproval. Failure of Tenant to reasonably disapprove any draft of the Working Drawings within said five (5) business day period shall be deemed to constitute Tenant's approval thereof. The Working Drawings, as approved by Landlord and Tenant, may be referred to herein as the "**Approved Working Drawings**." Tenant shall make no changes or modifications to the Space Plans or the Approved Working Drawings without the prior written consent of Landlord, which consent may be withheld in Landlord's sole discretion if such change or modification would directly or indirectly delay the "Substantial Completion," as that term is defined in Section 5.1 of this Work Letter, of the Improvements in the Premises or increase the cost of designing or constructing the Improvements.

SECTION 2
OVER-ALLOWANCE AMOUNT

In the event any revisions, changes, or substitutions are made at Tenant's request, or for the Tenant's benefit and with Tenant's consent, to the Space Plans or the Approved Working Drawings or the Improvements, any additional costs which arise in connection with such revisions, changes or substitutions shall be considered to be an "**Over-Allowance Amount**." The Over-Allowance Amount, which shall constitute additional rent, shall be paid by Tenant to Landlord within ten (10) days after Tenant's receipt of invoice thereof. The Over-Allowance

Amount shall be disbursed by Landlord prior to the disbursement of any portion of Landlord's contribution to the construction of the Improvements.

SECTION 3
RETENTION OF CONTRACTOR;
WARRANTIES AND GUARANTIES

Landlord shall designate and retain the contractor that shall construct the Improvements (the "**Contractor**"). Landlord shall make commercially reasonable efforts to obtain appropriate warranties and guaranties of the Improvements from the Contractor. Landlord hereby assigns to Tenant all warranties and guaranties by the Contractor relating to the Improvements, and, with respect to defects in the Improvements, Tenant hereby waives all claims against Landlord relating to, or arising out of the construction of, the Improvements to the extent covered by such warranties and guaranties. Except to the extent of defects covered by the Contractor's warranties and guaranties, the Landlord hereby warrants that the Improvements will be free of defects in workmanship and materials for a period of one year following the Rent Commencement Date.

SECTION 4
TENANT'S COVENANTS

Tenant shall, at no cost to Tenant, cooperate with Landlord and the space planner or architect retained by Landlord ("**Architect**") to cause a Notice of Completion to be recorded in the office of the Recorder of the County where the property is located in accordance with any statute upon completion of construction of the Improvements

SECTION 5
COMPLETION OF THE IMPROVEMENTS

5.1 Substantial Completion. For purposes of this Lease, "**Substantial Completion**" of the Improvements in the Premises shall occur upon the completion of construction of the Improvements in the Premises pursuant to the Approved Working Drawings, with the exception of any punch list items and any tenant fixtures, work-stations, built-in furniture, or equipment to be installed by Tenant. For purposes of this Work Letter, "punch list items" shall mean minor corrections that will not unreasonably interfere with Tenant's use or occupancy of the Premises.

5.2 Delay of the Substantial Completion of the Premises. Any Commencement Date set forth in the Lease shall not be extended if there shall be a delay as a result of the following (collectively, "**Tenant Delays**"):

5.2.1 Tenant's failure to timely approve any matter requiring Tenant's approval;

5.2.2 A breach by Tenant of the terms of this Work Letter or the Lease;

5.2.3 Tenant's unreasonable delay in requesting or consenting to any changes in the Space Plans, Working Drawings or Approved Working Drawings;

5.2.4 Changes in any of the Space Plans, Working Drawings or Approved Working Drawings because, as a result of the Tenant's fault, the same do not comply with applicable laws;

5.2.5 Tenant's requirement for materials, components, finishes or improvements, other than those that are consistent with Landlord's building standards, which are not available in a commercially reasonable time given the anticipated date of Substantial Completion of the Improvements in the Premises;

5.2.6 Changes to the base, shell and core work of the Office Building Project (which are depicted and/or described in Exhibit H to this Lease) required by the Approved Working Drawings or any changes thereto; or

5.2.7 Any other acts or omissions of Tenant, or its agents, or employees not permitted by this Lease;

In event of any Tenant Delay(s), and notwithstanding anything to the contrary set forth in the Lease or this Work Letter and regardless of the actual date of the Substantial Completion of the Improvements in the Premises, the date of Substantial Completion thereof shall be deemed to be the date that Substantial Completion would have occurred if no Tenant Delay or Delays, as set forth above, had occurred.

SECTION 6 MISCELLANEOUS

6.1 Tenant's Representative. Tenant has designated Kevin Emenaker, Director Administrative Services as its sole representative with respect to the matters set forth in this Work Letter, who, until further notice to Landlord, shall have full authority and responsibility to act on behalf of the Tenant as required in this Work Letter.

6.2 Landlord's Representative. Prior to commencement of construction of the Improvements, Landlord shall designate a representative with respect to the matters set forth in this Work Letter, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of the Landlord as required in this Work Letter.

6.3 Time of the Essence in this Work Letter. Unless otherwise indicated, all references herein to a "number of days" shall mean and refer to calendar days.

**EXHIBIT B-1
SPACE PLANS**

[TO BE ATTACHED]

EXHIBIT C RULES AND REGULATIONS

A. General Rules and Regulations. The following rules and regulations govern the use of the Building and the Common Areas. Tenant will be bound by such rules and regulations and agrees to cause Tenants Parties to observe the same.

1. Except as specifically provided in the Lease to which these Rules and Regulations are attached (including, without limitation, Exhibit B-1 to this Lease), no sign, placard, picture, stickers, banners, advertisement, name or notice may be installed or displayed on any part of the outside or inside of the Building without the prior written consent of Landlord. Landlord will have the right to remove, at Tenant's expense and without notice, any sign installed or displayed in violation of this rule. All approved signs or lettering on doors and walls are to be printed, painted, affixed or inscribed at the expense of Tenant and under the direction of Landlord by a person or company designated or approved by Landlord.

2. If Landlord objects in writing to any curtains, blinds, shades, screens or hanging plants or other similar objects attached to or used in connection with any window or door of the Premises, or placed on any windowsill, which is visible from the exterior of the Premises, Tenant will immediately discontinue such use. Tenant agrees not to place anything against or near glass partitions or doors or windows which may appear unsightly from outside the Premises, including, without limitation, stickers, tinting materials, foil shades, blinds or screens.

3. Tenant will not obstruct any sidewalks, passages, exits or entrances of the Office Building Project. The sidewalks, passages, exits and entrances are not open to the general public, but are open, subject to reasonable regulations, to Tenant's business invitees. Landlord will in all cases retain the right to control and prevent access thereto of all persons whose presence in the reasonable judgment of Landlord would be prejudicial to the safety, character, reputation and interest of the Office Building Project and its tenants, provided that nothing herein contained will be construed to prevent such access to persons with whom any tenant normally deals in the ordinary course of its business, unless such persons are engaged in illegal or unlawful activities. No tenant and no employee or invitee of any tenant will go upon the roof of the Building.

4. Except for distribution of materials and the rights to speak and be heard during public meetings conducted by the Tenant, Landlord expressly reserves the right to absolutely prohibit solicitation, canvassing, distribution of handbills or any other written material or goods, peddling, sales and displays of products, goods and wares in all portions of the Office Building Project except for such activities as may be expressly permitted under the Lease. Landlord reserves the right to restrict and regulate the use of the Common Areas of the Office Building Project by invitees of tenants providing services to tenants on a periodic or daily basis including food and beverage vendors. Such restrictions may include limitations on time, place, manner and duration of access to a tenant's premises for such purposes.

5. Landlord reserves the right to prevent access to the Project in case of invasion, mob, riot, public excitement or other commotion by closing the doors or by other appropriate action.

6. Landlord reserves the right to approve companies providing cleaning and janitorial services for the Premises. Tenant will not cause any unnecessary labor by carelessness or indifference to the good order and cleanliness of the Premises.

7. Landlord will furnish Tenant, free of charge, with two keys to each exterior entry door lock to the Premises. Landlord may make a reasonable charge for any additional keys. Tenant shall not make or have made additional keys, and Tenant shall not alter any lock or install any new additional lock or bolt on any door of the Premises. Tenant, upon the termination of its tenancy, will deliver to Landlord the keys to all doors which have been furnished to Tenant. Security Keycard Access System to be installed within the Premises shall be mutually agreed upon between Landlord and Tenant which shall not be unreasonable withheld, conditioned or delayed. Scope and specifications of said system shall be further defined in Construction Drawings.

8. If Tenant requires telegraphic, telephonic, burglar alarm, satellite dishes, antennae or similar services, it will first obtain Landlord's written approval, and comply with, Landlord's reasonable rules and requirements applicable to such services, which may include separate licensing by, and fees paid to, Landlord, as well as all federal, state, and local regulations. Tenant will not transmit or receive any electromagnetic, microwave or other radiation which may be harmful or hazardous to any person or property in or about the Premises or elsewhere within the Project.

9. No deliveries will be made which impede or interfere with other tenants or the operation of the Building.

10. Tenant will not use or keep in the Premises any kerosene, gasoline or inflammable or combustible fluid or material other than those limited quantities necessary for the operation or maintenance of office equipment. Tenant will not sleep, cook or wash clothes in the Premises or use or permit to be used in the Premises any foul or noxious gas or substance, or permit or allow the Premises to be occupied or used in a manner that is unreasonably offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors or vibrations, intense glare, light or heat, nor will Tenant bring into or keep in or about the Premises any birds or animals.

11. Landlord reserves the right, exercisable without notice and without liability to Tenant, to change the name and street address of the Building. Without the written consent of Landlord, Tenant will not use the name of the Building or the Project in connection with or in promoting or advertising the business of Tenant except as to Tenant's address.

12. The toilet rooms, toilets, urinals, wash bowls and other apparatus will not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be deposited therein. The expense of any breakage, stoppage or damage resulting from any violation of this rule will be borne by the tenant who, or whose employees or invitees, violate this rule.

13. Tenant will not sell, or permit the sale at retail of newspapers, magazines, periodicals, theater tickets or any other goods or merchandise to the general public in or on the Premises. Tenant will not make any building-to-building solicitation of business from other tenants in the Project.

Tenant will not use the Premises for any business or activity other than that specifically provided for in this Lease. Except to the extent of procedures relating to disposal of property that are required or permitted by law, the Tenant will not conduct, nor permit to be conducted, either voluntarily or involuntarily, any auction upon the Premises without first having obtained Landlord's prior written consent, which consent Landlord may withhold in its sole and absolute discretion.

14. Except for the ordinary hanging of pictures and wall decorations, Tenant will not mark, drive nails partitions, woodwork or plaster or in any way deface the Premises or any part thereof, except as expressly permitted by this Lease. Landlord reserves the right to direct electricians as to where and how telephone and telegraph wires are to be installed into the Premises. Tenant will not cut or bore holes for wires. Tenant will not affix any floor covering to the floor of the Premises in any manner except as approved in writing by Landlord. Tenant shall, at Tenant's sole cost and expense, repair any damage resulting from noncompliance with this or any other rule set forth herein.

15. Landlord reserves the right to exclude or expel from the Project any person who, in Landlord's judgment, is intoxicated or under the influence of liquor or drugs or who is in violation of any of the Rules and Regulations of the Building.

16. Tenant will store all its trash and garbage within its Premises or in other facilities provided by Landlord for such purpose. Tenant will not place in any trash box or receptacle any material which cannot be disposed of in the ordinary and customary manner of trash and garbage disposal. All garbage and refuse disposal is to be made in accordance with directions issued from time to time by Landlord.

17. The Premises will not be used for lodging nor shall the Premises be used for any improper, or reasonably immoral or objectional purpose.

18. Tenant agrees to comply with all safety, fire protection and evacuation procedures and regulations reasonably established by Landlord or any governmental agency.

19. Tenant assumes any and all responsibility for protecting its Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises closed. Tenant will not leave or store any equipment, materials or items of any kind outside the walls of the Premises.

20. Tenant shall use at Tenant's cost such pest extermination and control contractor(s) as Landlord may direct and at such intervals as Landlord may reasonably require.

21. To the extent Landlord reasonably deems it necessary to exercise exclusive control over any portions of the Common Areas for the mutual benefit of the tenants in the Project, Landlord may do so subject to reasonable rules and regulations.

22. Tenant's requirements will be attended to only upon appropriate written application to Landlord's management office for the Project by an authorized individual of Tenant. Employees

of Landlord will not perform any work or do anything outside of their regular duties unless under special instructions from Landlord, and no employee of Landlord will admit any person (Tenant or otherwise) to any office without specific instructions from Landlord.

23. These Rules and Regulations are in addition to, and will not be construed to in any way modify or amend, in whole or in part, the terms, covenants, agreements and conditions of the Lease. Landlord may waive any one or more of these Rules and Regulations for the benefit of Tenant; provided, however, any such waiver by Landlord will not be deemed to be a waiver of any subsequent violation(s) of the same Rules and Regulations or any violations of any other Rules and Regulations contained herein.

24. Landlord reserves the right to make such other and reasonable Rules and Regulations as, in its judgment, may from time to time be needed or advantageous, for safety and security, for care, and cleanliness, attractiveness or benefit of the Project and for the preservation of good order therein. Tenant agrees to abide by all such Rules and Regulations herein above stated and any additional reasonable rules and regulations which are adopted by Landlord. Tenant is responsible for the observance of all of the foregoing rules by Tenant's employees, agents, clients, customers, invitees and guests.

B. Parking Rules and Regulations. The following rules and regulations govern the use of the parking facilities which serve the Building. Tenant will be bound by such rules and regulations and agrees to cause its employees, subtenants assignees, contractors, suppliers, customers and invitees to observe the same:

1. Tenant will not permit or allow any vehicles that belong to or are controlled by Tenant or Tenant's employees, subtenants, customers or invitees to be loaded, unloaded or parked in areas other than those designated by Landlord for such activities. No vehicles are to be left in the parking areas overnight and no vehicles are to be parked in the parking areas other than normally sized passenger automobiles, motorcycles and pick-up trucks. No storage of vehicles is permitted.
2. Vehicles must be parked entirely within painted stall lines of a single parking stall.
3. All directional signs and arrows must be observed.
4. The speed limit within all parking areas shall be five (5) miles per hour.
5. Parking is prohibited: (a) in areas not striped for parking; (b) in aisles or on ramps; (c) where "no parking" signs are posted; (d) in cross-hatched areas; and (e) in such other areas as may be designated from time to time by Landlord or Landlord's parking operator.
6. Landlord reserves the right, without cost or liability to Landlord, to tow any vehicle if such vehicle's audible theft alarm system remains engaged for an unreasonable period of time.
7. Washing, waxing, cleaning or servicing of any vehicle in any area not specifically reserved by Landlord for such purpose is prohibited.

8. Landlord may refuse to permit any person to park in the parking facilities who violates these rules, and any violation of these rules shall subject the violator's car to removal, at such car owner's expense. Tenant agrees to use its best efforts to acquaint its employees, subtenants, assignees, contractors, suppliers, customers and invitees with these parking provisions, rules and regulations.

9. Landlord reserves the right, without cost or liability to Landlord, to tow any vehicles which are used or parked in violation of these rules and regulations.

10. Landlord reserves the right from time to time to modify and/or adopt such other reasonable rules and regulations for the parking facilities as it deems reasonably necessary or advantageous to the operation of the parking facilities.

C. RULES AND REGULATIONS FOR ALTERATIONS

ALTERATIONS. After installation of the initial Tenant Improvements for the Premises as described on Exhibit "B" to the Lease, Tenant shall not make any alterations, additions, improvements or decorations to the Premises (collectively, "Alterations") without Landlord's prior written consent, which consent Landlord shall not unreasonably withhold, condition or delay. All permitted Alterations shall be subject to the following terms and conditions:

(a) **Prohibited Alterations.** Tenant may not make any Alterations which: (i) affect any area outside the Premises; (ii) affect the Building's structure, equipment, services or systems, or the proper functioning thereof, or Landlord's access thereto; (iii) affect the outside appearance, character or use of the Building or any Common Areas; (iv) in the reasonable opinion of Landlord, lessen the value of the Building; or, (v) will violate, require a change or incur an added cost in connection with any occupancy certificate, or insurance policy applicable to the Premises.

(b) **Landlord's Approval.** In requesting Landlord's approval of any Alterations, Tenant must deliver to Landlord written notice requesting Landlord's approval and a copy of any plans, specifications and working drawings for any such Alterations at least ten (10) days prior to commencement of the work thereof. Landlord's approval of plans, specifications and/or working drawings for Alterations will not create any responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with applicable permits, laws, rules and regulations of governmental agencies or authorities. In approving any Alterations, Landlord reserves the right to require Tenant to increase its security deposit to provide Landlord with additional reasonable security for the removal of such Alterations by Tenant as may be required by the Lease.

(c) **Contractors.** Except to the extent compliance with statutory competitive bidding requirements is required by law, the Tenant may make or install alterations using only contractors and subcontractors which have been approved in writing by Landlord, which approval Landlord shall not unreasonably withhold, condition or delay; provided, however, absent statutory requirements, Landlord reserves the right to require that a contractor designated by Landlord as a preferred contractor for the Building be given the first opportunity to bid for

any Alteration work. Before proceeding with any Alterations, Tenant agrees to provide Landlord with ten (10) days prior written notice and Tenant's contractors must obtain and maintain, on behalf of Tenant and at Tenant's sole cost and expense: (i) all necessary governmental permits and approvals for the commencement and completion of such Alterations; and (ii) if requested by Landlord, a completion and lien indemnity bond, or other surety, reasonably satisfactory to Landlord for such Alterations. Throughout the performance of any Alterations, Tenant agrees to obtain, or cause its contractors to obtain, workers compensation insurance and general liability insurance in compliance with the provisions of Paragraph 8 and Exhibit "D" (Tenant's Insurance Requirements) of the Lease.

(d) **Manner of Performance.** All Alterations must be performed: (i) in accordance with the approved plans, specifications and working drawings; (ii) in a lien-free and workmanlike manner consistent with other Class A alterations in the Riverside-Corona area; (iii) in compliance with all applicable permits, laws, statutes, ordinances, rules, regulations, orders and rulings now or hereafter in effect and imposed by any governmental agencies and authorities which assert jurisdiction; (iv) in such a manner so as not to interfere with the occupancy of any other tenant in the Building, nor impose any additional expense upon nor delay Landlord in the maintenance and operation of the Building; and (v) at such times, in such manner, and subject to such rules and regulations as Landlord may from time to time reasonably designate.

(e) **Ownership.** At Landlord's election, all Alterations will become the property of Landlord and will remain upon and be surrendered with the Premises at the end of the Term of the Lease, or, Landlord may, by written notice delivered to Tenant, identify those Alterations which Landlord will require Tenant to remove at the end of the Term of the Lease. Landlord may also require Tenant to remove Alterations which Landlord did not have the opportunity to approve. If Landlord requires Tenant to remove any Alterations, Tenant, at its sole cost and expense, agrees to remove the identified Alterations on or before the expiration or earlier termination of the Lease and repair any damage to the Premises caused by such removal; or, at Landlord's option, Tenant agrees to pay to Landlord all of Landlord's reasonable costs of such removal and repair.

(f) **Personal Property.** All articles of personal property owned by Tenant or installed by Tenant at its expense in the Premises (including Tenant's business and trade fixtures, furniture, movable partitions and equipment such as telephones, copy machines, computer terminals, refrigerators and facsimile machines) will be and remain the property of Tenant, and must be removed by Tenant from the Premises, at Tenant's sole cost and expense, on or before the expiration or earlier termination of the Lease. Tenant agrees to repair any damage caused by such removal at its cost on or before the expiration or earlier termination of the Lease.

(g) **Removal of Alterations.** If Tenant fails to remove by the expiration or earlier termination of the Lease all of its personal property, or any Alterations identified by Landlord for removal, Landlord may, at its option, treat such failure as a hold-over pursuant to Paragraph 26 of the Lease, and/or Landlord may (without liability to Tenant for loss thereof) treat such personal property and/or Alterations as abandoned and, at Tenant's sole cost and expense, and in addition to Landlord's other rights and remedies under the Lease, at law or in equity: (a) remove and store such items; and/or (b) upon ten (10) days prior notice to Tenant, sell, discard or otherwise dispose of all or any such items at private or public sale for such price as Landlord may obtain or

by other commercially reasonable means. Tenant shall be liable for all costs of disposition of Tenant's abandoned property and Landlord shall have no liability to Tenant with respect to any such abandoned property. Landlord agrees to apply the proceeds of any sale of any such property to any amounts due to Landlord under this Lease from Tenant (including Landlord's attorneys' fees and other costs incurred in connection with the removal, storage and/or sale of such items), with any remainder to be paid to Tenant.

EXHIBIT D
TENANT'S INSURANCE REQUIREMENTS

This Exhibit "D" defines the insurance requirements of your Lease in addition to all requirements included in Paragraph 8 of the Lease.

To assure compliance with these terms, we suggest you send a copy of this Exhibit "D" to your insurer or agent. Initial Certificates must be provided to Landlord prior to occupancy of the Premises, renewals thirty (30) days before expiration.

1. Tenant's Comprehensive or Commercial General Liability Insurance:
 - \$1,000,000 Combined Single Limit, each occurrence
 - \$2,000,000 Aggregate (minimum) this location
 - \$2,000,000 Products/Completed Operations Aggregate
 - Broad Form General Liability Endorsement coverages
 - Full comprehensive liability coverage of operations at leased premises.

2. Tenant's Property Insurance:
 - All Risks coverage of Property owned by Tenant or for which the Tenant is legally liable; replacement cost basis, covering no less than 100% of all values;
 - Vandalism and malicious mischief coverage to be included; and
 - Sprinkler leakage and earthquake sprinkler leakage endorsements to be included.
 - One-year business interruption due to insured peril.

3. Tenant's Workers' Compensation Insurance:
 - Statutory Limits and terms required by the State of California, \$1,000,000 Workers' Compensation Limit

4. Tenant's Automobile Insurance (if applicable):
 - \$1,000,000 Combined Limit per accident; covering all owned, non-owned, hired autos

5. All insurance is to be with licensed insurers having a Best's rating of "A" or better, and must include the following:
 - Waiver of Subrogation in favor of Landlord;
 - Thirty (30) day pre-notice of cancellation renewal to Landlord;
 - Policy number and expiration date;

- Bodily Injury, Property Damage, Personal Injury and Advertising Injury;
- Blanket Contractual Liability - Covering Indemnity Paragraph 8.5;
- Products and Completed Operations Liability;
- Severability of Interest, permitting cross liability among insureds;
- Provision stating that Tenant's insurance is primary and non-contributory with any insurance carried by Landlord; and
- The Certificate Holders and Additional Insured(s) shall be:

“Landlord” (as defined in Paragraph 1.1 of the Lease) - Owner
 _____ – Asset Manager, and
 _____., Managing Agent

Address
City, State, Zip
 Tel.: _____

- **SEND ALL CERTIFICATES TO:**
 Entity Name – Asset Manager
Address
City, State, Zip
 Tel.: _____

6. Without limiting the generality of the foregoing, Tenant shall obtain, pay and keep in full force for the full term hereof, the following insurance issued by a company or companies licensed to do business in California and satisfactory to Landlord:

- Worker’s Compensation Insurance covering all employees with coverage of not less than One Million Dollars (\$1,000,000.00).
- Commercial General Liability Insurance with a limit of liability of not less than One Million Dollars (\$1,000,000.00) coverage for each occurrence, Two Million Dollars (\$2,000,000.00) coverage for products-completed operation aggregate (CG2010) (11/85 ED.), and Two Million Dollars (\$2,000,000.00) coverage for general aggregate. Such insurance shall be written on an “occurrence” basis. If such Commercial General Liability Insurance contains a general aggregate limit, it shall apply separately to the Premises. Insurance shall be written on ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage) and

shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and liability assumed under an insured contract. Landlord and its management company shall all be included as Additional Insureds under the Commercial General Liability Insurance using the ISO additional insured endorsement CG 20 10 (11/85 ED.) or a substitute providing equivalent coverage. Tenant shall provide Landlord a Certificate of Insurance and an "Additional Insured Endorsement". Tenant's insurance shall be primary insurance with respect to any claims covered thereunder; any other insurance maintained by Landlord shall be excess and non-contributory with the insurance provided hereunder.

- (c) Automobile Liability Insurance, including liability for all owned, hired and non-owned vehicles, with not less than One Million Dollars (\$1,000,000.00) combined single limit bodily injury and property damage coverage;

Prior to the commencement of the Lease Tenant shall furnish to Landlord original certificates or copies of policies showing that such insurance is in force and that the premiums due thereunder have been paid and that Landlord and its management company are named by separate endorsement as additional insured in respect to any loss covered. Such certificates or policies shall provide that the insurance may not be cancelled, terminated or modified without thirty (30) days advance written notice thereof to each additional insured. No policy shall contain any provisions for exclusion from liability other than provisions for exclusion forming a part of the standard basic unamended and unendorsed form of policy, provided, however, in no event shall any exclusion be permitted which conflicts with any coverage required by this Lease. In the event of any failure of Tenant to furnish and maintain insurance required hereunder, any additional insured, at its option, and without waiving the default of Tenant, shall have the right to obtain such insurance for, and in the name of Tenant and the additional insureds. In such event Tenant shall pay the cost thereof upon demand (as additional rent) and shall furnish all information required by the insurance carrier. Failure of Tenant to maintain the required insurance shall be grounds, in the sole discretion of Landlord, to terminate the Lease. All policies of insurance required hereunder must indicate that Tenant and its insurer(s), waive all rights of subrogation against Landlord and its management company as well as their respective agents, members, managers, directors, officers, employees, attorneys, contractors and representatives for recovery of damages to the extent these damages are covered by any policy of insurance required hereunder. The insurance company(ies) providing coverage hereunder must be licensed to transact business in the State of California and must carry an A.M. Best Rating of A or better.

EXHIBIT E
FORM OF ESTOPPEL CERTIFICATE

(Exhibit purposes only – do not complete)

Purchaser or Lender's Name

Re: Tenant Lease for _____ [Name of Tenant]

[Common Name of Property]

_____ [Address of Building]

_____, California

Suite _____

Ladies and Gentlemen:

We understand that you are the proposed purchaser of (or lender in connection with) the above-referenced building located at _____, _____, California which is part of a larger complex known as the _____ (the "Property") in which the undersigned is a tenant. We further understand that in connection with your purchase of (or loan in connection with) the Property it is necessary that you understand the precise nature of our tenancy and in order to so do, we hereby warrant and represent to you that with respect to our lease, as amended (the "Lease") and more particularly described in Schedule "A" attached hereto (the "Schedule") the following are true and correct:

1. The Lease (as attached) constitutes the entire agreement between the undersigned and the landlord thereunder with respect to the subject matter thereof and the Lease is in full force and effect and has not been modified, amended or supplemented in any way except by the addendums, amendments or other agreements attached hereto.
2. The term of the Lease commenced or will commence on _____ and will terminate on _____.
3. The current monthly Base Rent payment under the Lease is \$_____. The monthly Base Rent has been paid through _____. No advance monthly Base Rents have been prepaid except for the current month.
4. In addition to monthly Base Rent payments, the following amounts are also payable on a monthly _____ basis for the following purposes:
_____.
5. The tenant improvements described in the Lease have been completed and accepted by Tenant.
6. The security deposit under the Lease is currently \$_____.

7. Tenant is in full and complete possession of the leased premises under the Lease, such possession having been delivered by the Landlord pursuant to the Lease and having been accepted by the Tenant.

8. Except as provided in the attached Lease and amendments (if any), the undersigned has not assigned, transferred or hypothecated the Lease or any interest therein or entered into a sublease for any portion of the premises covered by the Lease and no person or firm other than the undersigned or its employees is in possession of such premises or any portion thereof.

9. The undersigned is not in default (or with the giving of notice or the passage of time or both will not be in default) under the Lease and the undersigned has no claim against, off-set, credit, defense, counterclaim or deductions against the landlord thereunder or, any rent or other sums due or payable under the Lease and, to our actual knowledge, the landlord thereunder is not in default (or with the giving of notice or the passage of time or both will not be in default) under the Lease.

10. Except as provided in the attached Lease and amendments (if any), the undersigned has no option, right of first refusal or otherwise to purchase the Property or any portion thereof or any interest therein and the only interest of the undersigned in the Property is that of a tenant pursuant to the terms of the Lease.

11. There are no actions, whether voluntary or involuntary or otherwise pending against Tenant under the bankruptcy laws of the United States or any portion of its interest in the Property or the Lease.

12. The undersigned does not engage in the generation, storage or disposal of "Hazardous Materials" (as defined in the Lease) on the Property and to the undersigned's actual knowledge, there are no Hazardous Materials located in, on, under or in the vicinity of its leased premises demised by the Lease except for normal office supplies.

13. The person executing this Certificate hereby warrants and represents that he or she has the power and authority to execute and deliver this Certificate on behalf of the tenant named herein.

We understand that the current owner, _____, you and/or any other purchaser(s) (or lender) will, if you proceed with the purchase of (or loan secured by) the Property, rely on this Certificate. This Certificate shall inure to the benefit of the purchaser (or lender), its successors and assigns and shall be binding upon Tenant and its successors and assigns.

Very truly yours,

Name of Tenant

Signature

Date

EXHIBIT F UTILITIES AND SERVICES

The following standards for utilities and services shall be in effect at the Building. Landlord reserves the right to adopt nondiscriminatory modifications and additions to these standards. In the case of any conflict between these standards and the Lease, the Lease shall be controlling. Subject to all of the provisions of the Lease, including but not limited to the restrictions contained in Paragraph 11 of the Lease, the following shall apply:

1. Landlord shall make available to the Premises during the hours stated in Paragraph 1.15 of the Lease, reasonable HVAC services. Subject to the provisions set forth below, Landlord shall also furnish the Building with elevator service (if applicable), reasonable amounts of electric current for normal lighting by Landlord's standard overhead fluorescent and incandescent fixtures and for fractional horsepower office machines, and water for lavatory purposes. Tenant will not, without the prior written consent of Landlord, consume electricity in the Premises at a level in excess of 3 watts per square foot or otherwise increase the amount of electricity, gas or water usually furnished or supplies for use of the Premises as general office space; nor shall Tenant connect any apparatus, machine or device with water pipes or electric current (except through existing electrical outlets in the Premises) for the purpose of using electric current or water. This paragraph shall at all times be subject to applicable governmental regulations.

2. Upon written request from Tenant delivered to Landlord at least 24 hours prior to the period for which service is requested, but during normal business hours, Landlord will provide any of the foregoing building services to Tenant at such times when such services are not otherwise available. Tenant agrees to pay Landlord for those after-hour services at rates that Landlord may establish from time to time. If Tenant requires electric current in excess of that which Landlord is obligated to furnish under this Exhibit F, Tenant shall first obtain the consent of Landlord and Landlord may cause an electric current meter to be installed in the Premises to measure the amount of electric current consumed. The cost of installation, maintenance and repair of the meter shall be paid for by Tenant, and Tenant shall reimburse Landlord promptly upon demand for all electric current consumed for any special power use as shown by the meter. The reimbursement shall be at the rates charged for electrical power by the local public utility furnishing the current, plus any reasonable expense incurred in keeping account of the electric current consumed.

3. If any lights, machines or equipment (including without limitation electronic data processing machines) are used by Tenant in the Premises which materially affect the temperature otherwise maintained by the air conditioning system, or generate substantially more heat in the Premises than would be generated by the building standard lights and usual fractional horsepower office equipment, Landlord shall have the right at its election to install or modify any machinery and equipment to the extent Landlord reasonably deems necessary to restore temperature balance. The cost of installation and any additional cost of operation and maintenance, shall be paid by Tenant to Landlord promptly upon demand.

4. Landlord shall furnish water for drinking, personal hygiene and lavatory purposes only. If Tenant requires or uses water for any purposes in addition to ordinary drinking, cleaning

and lavatory purposes, Landlord may, in its discretion, install a water meter to measure Tenant's water consumption. Tenant shall pay Landlord for the cost of the meter and the cost of its installation, and for consumption throughout the duration of Tenant's occupancy. Tenant shall keep the meter and installed equipment in good working order and repair at Tenant's own cost and expense. Tenant agrees to pay for water consumed, as shown on the meter and when bills are rendered, and on Tenant's default in making that payment Landlord may pay the charges on behalf of Tenant. Any costs or expenses or payments made by Landlord for any of the reasons or purposes stated above shall be deemed to be additional rent payable by Tenant to Landlord upon demand.

5. In the event that any utility service to the Premises is separately metered or billed to Tenant, Tenant shall pay all charges for that utility service to the Premises and the cost of furnishing the utility to tenant suites shall be excluded from the Operating Expenses as to which reimbursement from Tenant is required in the Lease. If any utility charges are not paid when due, Landlord may pay them, and any amounts paid by Landlord shall immediately become due to Landlord from Tenant as additional rent. If Landlord elects to furnish any utility service to the Premises, Tenant shall purchase its requirements of that utility from Landlord as long as the rates charged by Landlord do not exceed those which Tenant would be required to pay if the utility service were furnished it directly by a public utility.

6. Landlord shall provide janitorial services five days per week for the Common Areas, equivalent to that furnished in comparable buildings, and exterior window washing as reasonably required; Tenant shall pay to Landlord the cost of removal of any of Tenant's refuse and rubbish, to the extent that they exceed the refuse and rubbish usually associated with general office usage.

7. Tenant shall have access to the Building 24 hours per day, 7 days per week, 52 weeks per year; provided that Landlord may install access control systems as it deems advisable for the Building. Such systems may, but need not, include full or part-time lobby supervision, the use of a sign-in sign-out log, a card identification access system, building parking and access pass system, closing hours procedures, access control stations, fire stairwell exit door alarm system, electronic guard system, mobile paging system, elevator control system or any other access controls. In the event that Landlord elects to provide any or all of those services, Landlord may discontinue providing them at any time with or without notice. Landlord may impose a reasonable charge for access control cards, and/or keys issued to Tenant. Landlord shall have no liability to Tenant for the provision by Landlord of improper access control services, for any breakdown in service, or for the failure by Landlord to provide access control services. Tenant further acknowledges that Landlord's access systems may be temporarily inoperative during building emergency and system repair periods. Tenant agrees to assume responsibility for compliance by its employees with any regulations established by Landlord with respect to any card key access or any other system of building access as Landlord may establish. Tenant shall be liable to Landlord for any loss or damage resulting from its or its employees use of any access system.

**EXHIBIT G
SIGNAGE PROGRAM
TENANT SIGN CRITERIA**

INTRODUCTION

The signage criteria contained in this Exhibit “G” (“Tenant Sign Criteria”) provides design standards and specifications that assure consistency in quality, color, size, placement, typestyle and configuration for Tenant signs throughout the Office Building Project. Tenant signs shall be carefully designed, fabricated and installed to equal or exceed the standards normally associated with commercial signage. Landlord reserves the sole right to modify, change, or eliminate all or part of the Tenant Sign Criteria at any time by written notice to Tenant.

SUBMITTALS AND APPROVALS

1. Prior to sign fabrication and submittal for permit, Landlord shall submit a draft of the proposed signage for Tenant’s approval, which approval Tenant shall not unreasonably withhold.
2. All sign submittals shall conform with the provisions of these signage criteria.
3. If required during the permit process, Landlord shall also submit sign drawings for approval to the appropriate association review committee and provide to the City a copy of the letter of approval.
4. Within ten (10) business days after receipt of the draft signage, Tenant shall either approve the submittal contingent upon any required modifications or disapprove the sign submittal, which approval or disapproval shall not be unreasonably withheld. A full set of final plans must be approved and stamped by Landlord and Tenant prior to permit application and sign fabrication.
5. Following Tenant’s approval of proposed signage, Landlord shall submit to the appropriate governmental agency all sign plans signed by Landlord and applications for all permits for fabrication and installation by sign contractor.
6. Fabrication and installation of all signs shall be performed in accordance with the standards and specifications outlined in these criteria, the final approved plans and working drawings, and all applicable codes and regulations.

TENANT’S RESPONSIBILITIES

Landlord shall be responsible for all expenses relating to signage approved by Landlord for the Premises including, but not limited to:

1. 100% of costs for permit processing and application fees
2. 100% of costs for sign fabrication and installation
3. All costs relating to signage removal, including repair of any damage to the building

NON-CONFORMING SIGNS

Landlord may, at its sole discretion and at Tenant's expense, correct, replace or remove any sign that is installed by Tenant (directly or indirectly) without written approval and/or that, if installed by Tenant (directly or indirectly) is deemed not to be in conformance with the plans as submitted and approved by Landlord.

PROHIBITED SIGNS

Only those sign types provided for herein and specifically approved in writing by the Landlord will be allowed. The following signs are prohibited:

1. Temporary wall signs, pennants, flags, banners, inflatable displays or sandwich boards that are posted outside of the Premises, including without limitation, the lobby, common areas and exterior of the building. (Except if approved in advance and in writing by the Landlord).
2. Window signs except where specifically approved by Landlord under the Lease.
3. Exposed junction boxes, transformers, lamps, tubing, conduits, raceways or neon crossovers of any type.
4. Signs using "Trim Cap" retainers that do not match the color of letter and logo returns.
5. Pre-manufactured signs, such as franchise signs, that have not been modified to meet these criteria.
6. Paper, cardboard or styrofoam signs, stickers, or decals hung around that are posted outside of the Premises, including without limitation, the lobby, common areas and exterior of the building.
7. Simulated materials (i.e., wood grained plastic laminates, etc.) or wall covering.
8. Animated lights or other "moving" sign components, except where specifically provided by the approved sign plan.
9. Internally illuminated awning backgrounds.
10. Roof top signs, signs projecting above roof lines or parapets, signs on mansard roofs or equipment screens.
11. Advertising or promotional signs affixed to parked vehicles and/or put on the sidewalks or in the landscaped areas.

EXHIBIT H

**DEPICTION AND/OR DESCRIPTION OF BASE,
CORE AND SHELL OF OFFICE BUILDING PROJECT**

[TO BE ATTACHED]